



ANNUAL REPORT 2020



سانگھڑ شوگر ملز لمیٹیڈ
Sanghar Sugar Mills Limited

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Company Information

BOARD OF DIRECTORS

Mr. Ghulam Dastagir Rajar (Chairman)
 Mr. Ghulam Hyder (Chief Executive)
 Haji Khuda Bux Rajar
 Mr. Muhammad Aslam
 Mr. Rahim Bux
 Mr. Qazi Shamsuddin
 Mr. M. Abdul Jabbar
 Ms. Nazia Azam

BOARD COMMITTEES

AUDIT COMMITTEE

Mr. Rahim Bux (Chairman)
 Mr. Ghulam Dastagir
 Mr. M. Abdul Jabbar

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Rahim Bux (Chairman)
 Mr. Ghulam Hyder
 Mr. M. Abdul Jabbar

INFORMATION TECHNOLOGY & STEERING COMMITTEE

Mr. Ghulam Hyder (Chairman)
 Syed Rehan Ahmad Hashmi
 Mr. Sheraz Khan

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Muhammad Aslam (Chairman)
 Mr. Qazi Shamsuddin
 Ms. Nazia Azam
 Syed Rehan Ahmad Hashmi

RISK MANAGEMENT COMMITTEE

Mr. Muhammad Aslam (Chairman)
 Haji Khuda Bux Rajar
 Mr. Qazi Shamsuddin

COMPANY SECRETARY

Mr. Muhammad Mubeen Alam

CHIEF FINANCIAL OFFICER

Syed Rehan Ahmad Hashmi

STATUTORY AUDITOR

Kreston Hyder Bhimji & Co.
 Chartered Accountants

SHARE REGISTRAR

Hameed Majeed Associates (Pvt) Limited
 Karachi Chambers, Hasrat Mohani Road
 Karachi.
 Phone: 021 32424826, Fax: 021 32424835

LEGAL ADVISOR

Rafiq Kalwar & Dars Law Associates,
 Advocates & Corporate Counselors,
 Office # 412, 4th Floor, Clifton Centre,
 DC-1, Block 5, Clifton, Karachi

BANKERS

Islamic

Al-Baraka Bank (Pakistan) Limited
 Bank Islami Pakistan Limited
 Meezan Bank Limited

Conventional

Bank Al-Habib Limited
 MCB Bank Limited
 National Bank of Pakistan
 Soneri Bank Limited
 United Bank Limited

REGISTERED / HEAD OFFICE

Office No. 204, 2nd Floor,
 Clifton Centre, Block - 5, Clifton
 Karachi
 Phone: 021 35371441 to 43 (3 lines)
 Fax: 021 35371444
 Website: www.sangharsugarmills.com
 E-mail: info@sangharsugarmills.com

MANUFACTURING FACILITIES

13 K.M., Sanghar - Sindhari Road
 Deh Kehore, District Sanghar, Sindh
 Phone: (0345) 3737001 - 8222911

Statement of Vision, Mission, Corporate Objectives and Strategy & Strategic Planning

VISION STATEMENT

To have eminent position in manufacturing and supplying quality white refined sugar and allied products and thereby play an important role in the economic and social development of the country.

MISSION STATEMENT

We the Management of Enterprise, have set forth our belief as to the purpose for which the Company is established and the principles under which it should operate. We pledge our entire efforts to the accomplishment of the purpose within the agreed principles. Sanghar Sugar Mills Limited is committed to:

- o Manufacture to the highest quality standards. Pursuing the improvement in shareholders' value through team work and continuous improvement in the system in a competitive business environment.
- o Be ethical in practice and fulfill social responsibilities.
- o Ensure a fair return to stakeholders.
- o Realize responsibility towards society and contribute to the environment as good corporate citizen.

CORPORATE OBJECTIVES

The over riding objective of the Company is to optimize over the time, the return to its shareholders. To achieve this objective, the Company shall endeavor to ensure long term viability of its business and to manage effectively its relationship with stakeholders. Sanghar Sugar Mills Limited shall:

- o Recognize the need of working at the highest standard to achieve greater level of performance in order to meet the expectations of the stakeholders.
- o Optimize over the time, the returns to shareholders of the Company.
- o Strive for excellence and build on the Company's core competencies.
- o Conduct Company's business with integrity and supply only quality and credible information.
- o Respect confidentiality of the information acquired during the course of dealings with the interested parties and refrain from acting in any manner which might discredit the Company.

- o Operate within the regulatory framework and be free of any vested interest which might be incompatible with Organization's integrity, objectivity and independence.

CORPORATE STRATEGY

Production of sugar and sugar by-products are the Company's main area of business. The Company, its Director and Management:-

- o Believe in diversification through new manufacturing facilities and through equity participation.
- o Recognize the value of technological improvement and acquire the benefits of current innovation and development in their business field.
- o Believe in professional management and modern practices and use latest techniques available for growth and overall prosperity.
- o Consider their human resource as the most important asset and help them in providing facilities with regard to training and updating their knowledge and skill and keep them highly motivated.
- o Believe in integrity in business and the Company's integrity depends on integrity of each one of its employees.
- o Consider the sugar cane growers as the most important part of the business.

STRATEGIC PLANNING

- o Keep up with technological advancement and continuously update the company in the field of sugar technology.
- o Maintain all relevant technical and professional standards to be compatible with the requirement of the trade.
- o Gauge the market conditions and availability of substitute products and services and ensure quality with cost effectiveness.
- o Inculcate efficient, ethical and time tested business practice in the Company's management.

Code of Conduct

The entire Organization of **Sanghar Sugar Mills Limited** will be guided by the following principles of Code of Conduct in its pursuit of excellence in all activities for the attainment of the Company's Objectives.

THE COMPANY

- o Fulfills all statutory requirements of the government and follows all applicable laws of the Country together with compliance with accepted accounting principles, rules and procedures required.
- o Activities and involvement of directors and employees of the Company in no way conflict with the interest of the Company. All acts and decisions of the management are motivated by the interest of the Company rather their own.
- o Uses all means to protect the environment and ensures health and safety of the employees.
- o Meets the expectations of the spectrum of society and government agencies by implementing an effective and fair system of financial reporting and internal controls.
- o Deals with all stakeholders in objective and transparent manner so as to meet the expectations of those who rely on the Company.
- o Ensure efficient and effective utilization of its resources.

AS DIRECTORS

- o Promote and develop conducive environment through responsive policies and guidelines to facilitate viable and timely decisions.
- o Support and adherence to compliance of legal and industry requirements.
- o Maintain organizational effectiveness for the achievement of the Company's goals.
- o Promote a culture that supports enterprise and innovation, with appropriate short-term and long-term performance related rewards that are fair and achievable in motivating management and employees effectively and productively.
- o Ensure protection and safeguard the interest and assets of the Company and meet obligations of the Company.

AS EXECUTIVES AND MANAGERS

- o Ensure cost effectiveness and profitability of operations.
- o Provide direction and leadership for the organization and take viable and timely decisions.
- o Promote and develop culture of excellence, conservation and continual improvement.
- o Develop and cultivate work ethics and harmony among colleagues and associates.
- o Encourage initiatives and self realization in employees through meaningful empowerment.
- o Provide pleasant work atmosphere and ensure an equitable way of working and rewarding system.
- o Institute commitment to environmental, health and safety performance.

AS EMPLOYEES AND WORKERS

- o Observe Company policies, regulations and code of best business practices.
- o Devote productive time and continued efforts to strengthen the Company.
- o Make concerted struggle for excellence and quality.
- o Exercise prudence in effective, efficient and economical utilization of resources of the Company.
- o Protect and safeguard the interest of the Company and avoid conflict of interest.
- o Maintain financial integrity and must avoid making personal gain at the Company's expense by participating in or assisting activities which compete with the Company.

Notice of the Annual General Meeting

Notice is hereby given that Thirty Fifth Annual General Meeting (AGM) of the Shareholders of the Company will be held on Thursday January 28, 2021 at 10:00 a.m. at Registered Office of the Company Office No. 204, 2nd Floor, Clifton Centre, Block 5, Clifton, Karachi, to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of Extra Ordinary General Meeting of the Company held on October 31, 2020.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended September 30, 2020 together with Directors' and Auditors' Reports thereon.
3. To appoint Auditors for the year 2020-2021 and fix their remuneration. The present Auditors M/s Kreston Hyder Bhimji & Co. Chartered Accountants, retire and being eligible, have offered themselves for re-appointment.
4. To transact any other ordinary business with the permission of the Chair.

By Order of the Board

Muhammad Mubeen Alam
Company Secretary

Karachi: January 07, 2021

NOTES :

1. Corona Virus Contingency Planning:

In view of the current situation on the spread of COVID-19 and the restriction imposed by the Government on large public gatherings at one place, the Securities & Exchange Commission of Pakistan (SECP) has vide Circular No 5 of 2020 having number EMD/MISC/82/2012 dated March 17, 2020, advised the companies to modify their usual planning for Annual & Extra Ordinary General Meetings for the well being of the shareholders and avoid large gathering by provision of video link facilities, webinar or other electronic means or with minimum number of shareholders in person while ensuring compliance with the quorum requirements

In Person Participation:

Considering the SECP Circular, the Company intends to convene the AGM with minimum number of shareholders in person while ensuring compliance with the quorum requirements and request the Members to consolidate their attendance and voting at AGM through proxies.

The Company will follow the best practices and comply with the instructions of the Government and SECP to ensure protective measures are in place for the well-being of the Members. Therefore, Members are encouraged to attend the AGM by consolidating their attendance through proxies.

Online Participation in AGM:

The Members will also be able to participate in the AGM proceedings after completing all the formalities required for the verification and identification of the Members for online login participation.

For this purpose, Members are requested to get their particulars registered with the Company by sending email on "info@sangharsugarmills.com" mention in the subject that "AGM January 2021" and can also be registered by sending the following details through courier / post at the registered Office of the Company, addressed to Company Secretary. Following details are required:

Member Name	CNIC No.	Folio / CDS No.	Email ID	Cell No.

Video-link and login credentials and time will be shared with only those shareholders / proxies (must submit proxy form) whose details as stated above, received by us not later than 72 hours before the meeting. Incomplete, suspicious and details received after the expiry of time period will not be entertained.

2. Closure of Share Transfer Books:

The Share Transfer Books of the Company will remain closed from 22-01-2021 to 28-01-2021 (both days inclusive). Physical Transfers/CDS Transactions IDS received in order, in all respects at the close of the Business on 21-01-2021 at the Company's Share Registrar M/s Hameed Majeed Associates (Pvt) Limited, Karachi Chamber, Hasrat Mohani Road, Karachi will be considered for attending and voting at Annual General Meeting.

3. Comments / Suggestions for the Agenda Items:

Members can also participate in the meeting through their comments / suggestions for the agenda items via our WhatsApp number and or through our email (kindly mention subject "AGM January 2021"). Details are given below:

WhatsApp No. +92 300 2742176

Email ID: info@sangharsugarmills.com

It is our responsibility that the comments / suggestions of the Members of the Company will be discussed in the meeting and will become part of the minutes of the meeting.

4. Postal Balloting:

Pursuant to the Companies (Postal Ballot) Regulations, 2018 for any agenda item subject to the requirements of Sections 143 and 144 of the Companies Act, 2017 Members will be allowed to exercise their right of vote through postal ballot, in accordance with the requirements and procedures contained in the aforesaid Regulations.

5. Participation in the Annual General Meeting:

A member entitled to attend and vote at this meeting may appoint another member as proxy to attend and vote on his/her behalf. Forms of Proxy to be valid must be properly filled in/executed and received at the Registered Office of the Company at Office No. 204, 2nd Floor, Clifton Centre, Block-5, Clifton, Karachi, at least 48 hours before the time of this meeting. A Form of Proxy is attached herewith. CDC Account Holders will further have to follow the under mentioned guideline as laid down in circular dated January 26, 2000 issued by SECP.

6. Submission of copy of CNIC (Mandatory):

- a. The Securities and Exchange Commission of Pakistan (the SECP) vide their S.R.O. 779 (i) 2011 dated August 18, 2011 has directed the Company to print your Computerized National Identity Card (CNIC) number on your dividend warrants and if your CNIC number is not available in our records, your dividend warrant will not be issued/dispatched to you. In order to comply with these regulatory requirements, you are requested to kindly send photocopy of your CNIC to your Participant/Investor Account Services or in case of Physical Shareholding, immediately to Company's Share Registrar.
- b. The Company's Shareholders who are holding its Share in Physical Form are hereby informed and notified in their own interest who have not yet provided copy of their valid Computerized National Identity Card (CNIC) mentioning their Folio Numbers are hereby reminded again through this Notice to send urgently valid copy of their CNIC as mentioned above to the Company or its Share Registrar M/s Hameed Majeed Associates (Pvt) Limited, Karachi Chambers, Hasrat Mohani Road, Karachi (Phone No. 021-32424826) in order to comply with the mandatory requirements of Securities and Exchange Commission of Pakistan (the Commission) issued vide SRO 83(1)/2012 dated July 05, 2012 and SRO 19(1) of 2014 dated January 10, 2014.

A List of such Shareholders along with their Folio numbers, Names, Address and No. of the Company's shares held in Physical Form is available on the Company's Website www.sangharsugarmills.com for reference who have not yet submitted the valid copy of their CNIC to the Company.

It is further informed that the Members of the Company were previously requested/reminded through Notices of Annual and Extra Ordinary General Meetings held in previous years which were appeared in their respective Annual Reports of the Company as well as published in the news papers of Karachi and Lahore editions on several dates. They are once again reminded that in case of non-receipt of the copy of their valid CNIC along-with Folio No., the Company would be unable to comply with the mandatory requirement of the Commission as mentioned above.

7. Attendance at the Meeting:

A Member holding Physical Shares must bring his/her original Computerized National Identity Card (CNIC) and should mention his/her CNIC and Folio No. and sign on the Attendance Sheet while personally attending this Meeting. Also Member having deposited his/her shares into Central Depository Company of Pakistan Limited must bring his/her Participant's ID No. and Account/Sub-account No. along-with original CNIC and mention his/her CNIC and CDC Account No. and sign on the Attendance Sheet while personally attending this Meeting. Representatives of corporate Members should bring the usual documents required for such purpose as prescribed by the SECP.

8. Change of Address:

Members are advised to promptly notify change in their postal address, if any, to the Company's Share Registrar. Members having shares in CDC accounts are required to have their address updated with respective participants.

9. Video Conference Facility:

Members can also avail video conference facility. In this regard, please fill the following form and submit to registered address of the Company 10 days before holding of the Meeting.

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

The Company will intimate Members regarding venue of video conference facility at least 5 days before the date of the Meeting along with complete information necessary to enable them to access such facility.

I/We, _____ of _____, being a member of Sanghar Sugar Mills Limited, holder of _____ (number of shares) ordinary share(s) as per Registered Folio/CDC Account No. _____ hereby opt for video conference facility at _____.

Signature of Member(s)

10. Unclaimed Dividend:

Members are advised to immediately write us in detail for any outstanding / unclaimed cash dividend issued to you by the Company in past years. Please give complete details duly signed either to the Share Registrar or the Secretary of the Company.

11. Dividend Payments through Electronic Mode:

In accordance with the provisions and under section 242 of the Companies Act, 2017, shareholders are entitled to receive their dividends by way of direct credit to their bank account instead of receiving them through dividend warrants.

Therefore, to receive your future dividends directly in your bank account, please give us complete details and inform us in writing duly signed along with a copy of your CNIC / NTN to the Share Registrar of the Company and in case Shares held in CDC then please inform concerned Participant / CDC investor Account Services. The form is also available on our Company's website and annexed herewith.

12. Consent to receive Notices and Audited Financial Statements through email:

In accordance with the SECP notification No. 787(I)/2014 dated September 08, 2014, Members of the Company who wish to receive the Audited Financial Statements and Reports of the Company through email are requested to provide a "Consent Form For E-mail", duly filled and signed in all respects, to the Company Secretary / Share Registrar. The Consent form is available on the Company's website and Form is also annexed herewith.

13. Consent to receive Hard Copy of Audited Financial Statements:

In accordance with the SECP notification No. 470(I) dated May 31, 2016 and in continuation of SECP notification No. 787(I)/2014 dated September 08, 2014, Members of the Company who wish to receive the Hard Copies of Audited Financial Statements and Reports of the Company instead of sending the same through CD / DVD / USB / email, are requested to provide a "Standard Request Form", duly filled and signed in all respects, to communicate the need of hard copies, to the Company Secretary / Share Registrar. The Standard Request Form is available on the Company's website and Form is also annexed herewith.

14. Deposit of Physical Shares in to CDC Account:

As per Section 72 of the Companies Act, 2017 every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of this Act, i.e. May 30, 2017.

Therefore, the Shareholders having physical shareholding are encouraged to open CDC sub-account with any of the brokers or investor account directly with CDC to place their physical shares into scrip less form, this will facilitate them in many ways, including save custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per the existing regulations of the authorities.

For any query and or information, members and others may contact to the Company or our Share Registrar at the following address:

Registered Office of the Company: Office No. 204, 2nd Floor, Clifton Centre, Block - 5, Clifton, Karachi.
Phone: 021 35371441 to 43 (3 lines) Fax: 021 35371444.
Website: www.sangharsugarmills.com,
E-mail: info@sangharsugarmills.com

Share Registrar of the Company: Hameed Majeed Associates (Pvt) Limited
Karachi Chambers, Hasrat Mohani Road, Karachi
Phone: 021 32424826, Fax: 021 32424835.

13- آڈٹ شدہ مالیاتی کی ہارڈنقل کرنے حاصل کرنے کیلئے اظہار رضامندی

ایس ای سی پی کی جانب سے جاری کردہ نوٹیفکیشن بحوالہ نمبر (1) 470 مورخہ 31 نومبر 2016 اور نوٹیفکیشن نمبر (1) 787 مورخہ 8 ستمبر 2014 کے تحت ایسے ممبران جو کہ کمپنی کی مالیاتی دستاویزات اور رپورٹس سی ڈی/ڈی وی ڈی/یو ایس بی یا ای میل کے بجائے ہارڈنقل کی صورت میں حاصل کرنے کے خواہشمند ہوں تو انہیں چاہیے کہ "اسٹینڈرڈ درخواست فارم" برائے حصول ہارڈنقل بابت کمپنی مالیاتی دستاویزات و نوٹس باقاعدہ طور پر اور دستخط کر کے کمپنی سیکرٹری/متعلقہ شراکت دار/سی ڈی سی سرمایہ کار کے اکاؤنٹ کے ذریعے جمع کروادیں۔ اسٹینڈرڈ درخواست فارم" کمپنی کی ویب سائٹ پر موجود ہے اور اس فارم اس اعلان کے ساتھ بھی منسلک کر دیا گیا ہے۔

14- کاغذی حصص کو سی ڈی سی اکاؤنٹ میں جمع کروانا:

کمپنیز ایکٹ 2017 کے سیکشن 72 کے تحت تمام موجودہ لسٹڈ کمپنیوں پر لازم ہے کہ اپنے کاغذی صورت میں جاری کردہ اپنے حصص کو کھاتوں میں اندراج کے ذریعے تبدیل کر لیں اور اس سلسلے میں جو بھی مناسب طریقہ ہوا سے اپنایا جاسکتا ہے اور حصص کی یہ منتقلی کمیشن کی جانب سے بذریعہ نوٹیفکیشن دی گئی تاریخ کے بعد اتنے عرصے میں کر لی جائے جو کہ اس ایکٹ کے اجراء سے چار سال سے زائد نہ ہو یعنی 30 مئی 2017 سے اس تاریخ کا آغاز ہوتا ہے۔ لہذا ایسے حصص داران جن کے پاس کمپنی کے حصص کاغذی صورت میں موجود ہیں سے گزارش کی جاتی ہے کہ کسی بھی بروکر کے پاس اپنا سی ڈی سی ذیلی اکاؤنٹ کھولالیں یا براہ راست سی ڈی سی میں اپنا سرمایہ کاری اکاؤنٹ کھولالیں تاکہ ان کے حصص کو اسکرپ لیس فارم میں منتقل کیا جاسکے، ایسا کرنے سے انہیں کئی لحاظ سے سہولیات فراہم ہو جائیں گی جیسا کہ محفوظ تحویل، کسی بھی وقت حصص کی فروخت وغیرہ، کیونکہ موجودہ قوانین کی رو سے کاغذی صورت میں اب حصص کی خرید و فروخت ممنوع ہے۔

مزید معلومات یا سوالات کیلئے ممبران یا دیگر افراد کمپنی یا ہمارے حصص رجسٹرار سے درج ذیل پتوں پر رابطہ کر سکتے ہیں:
کمپنی کار رجسٹرڈ شدہ دفتر:

دفتر نمبر 204، دوسری منزل، کلغٹن سینٹر، بلاک - 5، کلغٹن کراچی۔ فون نمبر: 43 to 02135371441 (تین لائنیں)،

فیکس: 021 35371444، ویب سائٹ: www.sangharsugarmills.com

ای میل: info@sangharsugarmills.com، www.sangharsugarmills.com

حصص رجسٹرار برائے کمپنی:

حمید مجید ایسوی ایٹس (پرائیویٹ) لمیٹڈ

کراچی چیمبرز، حسرت موہانی روڈ، کراچی

فون: 021 32424826، فیکس: 021 32424835

اگر ویڈیو کانفرنس کی سہولت میسر کرنی ہو تو کمپنی کی جانب سے حصص داران کو اجلاس سے کم از کم 5 دن قبل اطلاع فراہم کر دی جائے گی اور انہیں مکمل معلومات فراہم کی جائیں گی کہ اس سہولت تک انکی رسائی کس طرح ممکن ہو سکتی ہے۔

میں / ہم _____ ساکنہ _____ بطور ممبر ساکنہ شریگر ملز لمیٹڈ، حامل

_____ عام حصص (تعداد حصص) بحوالہ رجسٹرڈ فوئیو / سی ڈی سی اکاؤنٹ نمبر _____ بذریعہ ہذا بمقام

_____ ویڈیو کانفرنس کی سہولت حاصل کرنا چاہتا ہوں۔

دستخط ممبر (ممبران)

10- غیر دعویٰ شدہ ڈیویڈنڈ

ممبران کو چاہیے کہ اگر ماضی میں اعلان کئے گئے کوئی بھی ڈیویڈنڈ انکے حق میں کمپنی پر واجب الادا ہیں تو فوری طور اس کی اطلاع تحریری طور کمپنی کو دیں۔ برائے مہربانی اس سلسلے میں دستخط شدہ مکمل معلومات کمپنی کے حصص رجسٹرار یا کمپنی سیکرٹری کے پاس جمع کروائیں۔

11- الیکٹرانک ذرائع سے ڈیویڈنڈ کی ادائیگی

کمپنیز ایکٹ 2017 کی دفعہ 242 کے تحت حصص داران کو یہ حق حاصل ہے کہ ان کے ڈیویڈنڈ انہیں بذریعہ ڈیویڈنڈ وارنٹ دینے کے بجائے براہ راست ان کے بینک اکاؤنٹ میں جمع کروادیئے جائیں۔

لہذا مستقبل میں آپ اپنے ڈیویڈنڈ براہ راست اپنے بینک اکاؤنٹ میں حاصل کرنے کیلئے اپنے بینک اکاؤنٹ سے متعلق مکمل معلومات ہمیں فراہم کیجئے اور اس سلسلے میں باقاعدہ تحریری طور بمعہ قومی شناختی کارڈ نمبر / این ٹی این نمبر اپنے دستخطوں کے ساتھ معلومات کو کمپنی کے حصص رجسٹرار کے پاس اور سی ڈی سی کی صورت میں اپنے شراکت دار / سی ڈی سی سرمایہ کار کے پاس جمع کروادیں۔ ڈیویڈنڈ مینڈیٹ فارم نوٹس ہذا کے ساتھ منسلک ہونے کے علاوہ ہماری ویب سائٹ پر بھی موجود ہے۔

12- آڈٹ شدہ مالیاتی دستاویزات و نوٹس بذریعہ ای میل حاصل کرنے کیلئے اظہار رضامندی

ایس ای سی پی کی جانب سے جاری کردہ نوٹیفیکیشن بحوالہ نمبر 787/2014 مؤرخہ 08 ستمبر 2014 اگر کمپنی کے ممبران کمپنی کی آڈٹ شدہ مالیاتی دستاویزات اور رپورٹس بذریعہ ای میل حاصل کرنے میں دلچسپی رکھتے ہوں تو انہیں چاہیے کہ "رضامندی فارم برائے ای میل" کو باقاعدہ پر اور دستخط کرنے کے بعد کمپنی سیکرٹری / حصص رجسٹرار / متعلقہ شراکت دار / سی ڈی سی سرمایہ کار کے پاس جمع کروادیں۔ "رضامندی فارم برائے ای میل" کمپنی کی ویب سائٹ پر بھی موجود ہے۔

ب۔ کمپنی حصص کے ایسے مالکان جو کہ دستی طور پر حصص کے حامل ہیں کو ان کے بہترین مفاد میں بذریعہ ہذا اطلاع دی جاتی ہے کہ اگر انہوں اب تک اپنا قومی شناختی کارڈ جمع نہیں کروایا ہے تو وہ فوری طور پر اپنے قومی شناختی کارڈ کی نقل بمعہ فوٹیو نمبر کمپنی کو یا اس کے حصص رجسٹرار میسرز جمید جمید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، کراچی چیمبر، حسرت موہانی روڈ، کراچی فون نمبر (012-32424826) کو پہنچادیں تاکہ سیکورٹیز اینڈ ایکسچینج کمیشن کی جانب سے اس لازمی شرط بحوالہ ایس آر (1) 83 / مؤرخہ 05 جولائی 2012 اور ایس آر او (1) 19 بابت 2014 مؤرخہ 10 جنوری 2014 پر عمل کیا جاسکے۔

ایسے ممبران کی ایک فہرست بمعہ فوٹیو نمبر، نام، پتہ اور دستی طور پر کمپنی کے کل حصص کی تعداد جو کہ ان کے پاس ہے سمیت کمپنی کی ویب سائٹ www.sangharsugarmills.com پر حوالے کیلئے موجود ہے جنہوں نے اب تک اپنے کارآمد قومی شناختی کارڈ کی نقل کمپنی کو فراہم نہیں کی ہے۔ تمام حصص داران کو ایک مرتبہ پھر بذریعہ ہذا یاد دہانی کروائی جاتی ہے کہ انہیں ماضی میں بھی سالانہ عام اجلاسوں کے نوٹس کے ذریعے، کمپنی کی اشاعت شدہ سالانہ رپورٹوں کے ذریعے اور اخبارات (کراچی اور لاہور) کی اشاعت کے ذریعے یہ کئی مرتبہ یاد دہانی کروائی جاتی رہی ہے کہ اگر انکی جانب سے کارآمد قومی شناختی کارڈ بمعہ فوٹیو نمبر کمپنی کو فراہم نہیں کئے جاتے تو کمپنی کمیشن کی جانب سے نافذ کی گئی مزکورہ بالا لازمی شرط پر عمل کرنے سے قاصر رہے گی۔ انہیں ایک مرتبہ پھر یاد دہانی کروائی جاتی ہے کہ کارآمد قومی شناختی کارڈ بمعہ فوٹیو نمبر کی عدم فراہمی کی صورت میں کمپنی اس بات کی پابند ہوگی کہ مزکورہ بالا مطلوبہ قوانین پر عمل کرے۔

7۔ اجلاس میں شرکت

دستی حصص کا حامل کوئی ممبر اگر ذاتی طور پر اجلاس میں شرکت کرے تو لازم ہے کہ اپنا اصل کارآمد قومی شناختی کارڈ ہمراہ لے کر آئے اور حاضری کے رجسٹر میں اپنی حاضری بمعہ قومی شناختی کارڈ اور فوٹیو نمبر درج کرے۔ اس کے علاوہ ایسے ممبران جنہوں نے اپنے حصص سینٹرل ڈیپازٹری کمپنی میں جمع کروادے ہیں اور وہ اجلاس میں ذاتی طور پر شرکت کرنا چاہتے ہیں کو چاہیے کہ اپنے اصل قومی شناختی کارڈ کے علاوہ شرکتی شناختی نمبر اور ذیلی اکاؤنٹ نمبر / اکاؤنٹ نمبر بھی ہمراہ لے کر آئیں اور حاضری کی شیٹ پر دستخط کرتے وقت اپنے قومی شناختی کارڈ اور سی ڈی سی اکاؤنٹ نمبر کو ضرور درج کریں۔ کارپوریٹ ممبران کے نمائندگان پر لازم ہے کہ اس موقع کی مناسبت سے ایس ای سی پی کی جانب سے لازم قرار دی گئی تمام دستاویزات ہمراہ لے کر آئیں۔

8۔ پتے کی تبدیلی

ممبران سے درخواست ہے کہ اگر انکے پتے کسی بھی قسم کو تبدیلی واقع ہوئی تو فوری طور پر اس تبدیلی سے کمپنی کے حصص رجسٹرار کو مطلع کریں۔ تاہم ایسے ممبران جن کے حصص سی ڈی سی میں ہیں کو چاہیے کہ متعلقہ شراکت دار کو ہی پتے کی تبدیلی سے مطلع کریں۔

9۔ ویڈیو کانفرنس کی سہولت

ممبران ویڈیو کانفرنس کی سہولت بھی حاصل کر سکتے ہیں، اگر اس سہولت سے فائدہ اٹھانا مقصود ہو تو اجلاس سے کم از کم 10 دن پہلے درج ذیل فارم کو باقاعدہ پر کرنے کے بعد کمپنی رجسٹرڈ شدہ پتے پر جمع کرا دیں۔

اگر کسی بھی جغرافیائی محل وقوع پر رہائش پذیر حصص داران کے اوسطاً 10% ممبران کی جانب سے اجلاس سے کم از کم 10 دن قبل کمپنی کو ویڈیو کانفرنس کی سہولت کیلئے درخواست موصول ہوتی ہے تو کمپنی کی جانب سے ویڈیو کانفرنس کا بندوبست کیا جاسکتا ہے بشرطیکہ اس علاقے میں بھی یہ سہولت میسر ہو۔

3- ایجنڈے کے امور سے متعلق آراء و سفارشات

ممبران اجلاس میں اس طرح بھی شرکت کر سکتے ہیں کہ ہمارے واٹس ایپ نمبر پر یا بذریعہ ای میل ہمارے ای میل پتے پر (بعضاً 2021 January AGM) ایجنڈے پر موجود امور سے متعلق اپنی آراء اور مشوروں سے ہمیں آگاہ کریں۔ تفصیلات درج ذیل ہیں:

واٹس ایپ نمبر : +92 300 2742176

ای میل پتہ : info@sangharsugarmills.com

یہ ہماری ذمہ داری ہوگی کہ ممبران کی جانب سے دی جانے والی آراء اور سفارشات پر اجلاس میں زیر بحث لایا جائے اور زیر بحث لانے کے بعد ان آراء اور سفارشات کو اجلاس کی کاروائی کے تحت ضبط تحریر میں بھی لایا جائے گا۔

4- حق رائے دہی بذریعہ ڈاک

کمپنیز (پوسٹل بیلٹ) ریگولیشنز، 2018 کی رو سے کسی بھی دیگر امور برائے ایجنڈہ از ریخت سیکشنز 143 اور 144 بابت کمپنیز ایکٹ 2017 کے سلسلے میں ممبران کو اس بات کی اجازت ہوگی وہ بذریعہ ڈاک اپنا حق رائے دہی استعمال کریں، اور اس حق کو استعمال کرنے کیلئے مذکورہ بالا قواعد کی تمام شرائط و ضوابط کو پورا کرنا لازمی ہوگا۔

5- سالانہ عام اجلاس میں شرکت

کوئی ایسا ممبر جو کہ اجلاس میں شرکت اور رائے دہی کی اہلیت رکھتا ہو اپنی جگہ کسی اور ممبر کو شرکت اور رائے دہی کیلئے بطور پراکسی مقرر کر سکتا ہے اور بطور پراکسی مقرر کئے جانے والے فرد کو اصل ممبر کی طرح اجلاس میں شرکت کرنے، رائے دینے اور ووٹ ڈالنے کا حق حاصل ہوگا۔ پراکسی مقرر کئے جانے والے فارم کے قابل قبول ہونے کیلئے لازم ہے کہ ہر لحاظ سے پرشدہ اور مکمل فارم دستخط اور مہر کے ساتھ بمعہ دو گواہوں، ان کے نام، پتے، قومی شناختی کارڈ نمبر اور دستخطوں کے ساتھ کمپنی کے رجسٹرڈ شدہ پتے آفس نمبر 204، دوسری منزل، کلفٹن سینٹر، بلاک 5، کلفٹن کراچی پر اجلاس سے کم از کم 48 گھنٹے قبل موصول ہو جائیں۔ پراکسی فارم کو اعلان ہذا کے ساتھ منسلک کر دیا گیا ہے۔ سی ڈی سی اکاؤنٹ کے حامل افراد پر لازم ہے کہ سرکلر مورخہ 26 جنوری 2000 از ایس ای سی پی میں مذکور ہدایات پر بھی عمل کریں۔

6- قومی شناختی کارڈ جمع کرانا (لازم)

الف۔ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے بحوالہ ایس آر او (i) 779 مورخہ 18 اگست 2011 کمپنی کو یہ ہدایات دی گئیں ہیں کہ آپ کے ڈیویڈنڈ ورنس پر آپ کے قومی شناختی کارڈ کے نمبر کو بھی درج کیا جائے اور اگر ہمارے ریکارڈ میں آپ کا قومی شناختی کارڈ نمبر موجود نہیں ہے تو مستقبل میں آپ کا ڈیویڈنڈ ورنٹ جاری یا ارسال نہیں کیا جاسکے گا۔ ان قواعد پر عمل کرنے کے سلسلے میں آپ سے گزارش کی جاتی ہے کہ برائے مہربانی اپنے قومی شناختی کارڈ کی نقل اپنے شراکتی / سرمایہ کار اکاؤنٹ سروسز کو ارسال کر دیں اور اگر آپ دستی حصص کے حامل ہیں تو فوری طور پر شناختی کارڈ کی نقل کمپنی کے رجسٹرار کے پاس جمع کروادیں۔

ذاتی طور پر شرکت کرنا

ایس ای سی پی کی جانب سے جاری کردہ سرکلر کو مد نظر رکھتے ہوئے، کمپنی اس بات کا ارادہ رکھتی ہے کہ کم از کم حصص داران کو مدعو کر کے کورم کو پورا کیا جائے اور تمام ممبران سے گزارش کی جاتی ہے کہ عام سالانہ اجلاس میں پراکسی کے ذریعے اپنی شرکت اور حق رائے دہی استعمال کئے جانے کو ممکن بنائیں۔

کمپنی کی جانب سے بہترین روایات کی پاسداری کی جائے گی اور حکومت پاکستان اور ایس ای سی پی کی جانب سے جاری کردہ ہدایات کی روشنی میں حفاظتی اقدامات کو ممکن بنایا جائے گا تاکہ حصص داران کی فلاح و بہبود کا مکمل خیال رکھا جاسکے۔ لہذا تمام ممبران کی حوصلہ افزائی کی جاتی ہے کہ اپنے پراکسی کے ذریعے سالانہ عام اجلاس میں اپنی حاضری کو ممکن بنائیں۔

سالانہ اجلاس عام میں آن لائن شرکت:

ممبران بھی عام سالانہ اجلاس میں شرکت کر سکتے ہیں تاہم انھیں اجلاس میں شرکت کیلئے اپنی شناخت ثابت کرنا اور اس کی توثیق کرنا ہوگی تاکہ انھیں اجلاس میں شرکت کرنے کیلئے لاگ ان یا جاسکے۔

اس مقصد کیلئے، ممبران سے گزارش ہے کہ اپنی تمام تفصیلات کمپنی کے ای میل پتے "info@sangharsugarmills.com" پر بذریعہ ای میل ارسال کر دیں اور ای میل کے عنوان میں "AGM January 2021" تحریر کریں یا پھر یہ معلومات کمپنی سیکرٹری کو کمپنی کے رجسٹرڈ شدہ پتے پر بذریعہ کوریئر یا ڈاک بھی ارسال کی جاسکتی ہیں۔ مطلوبہ معلومات در ذیل ہیں:

ممبر کا نام	کمپیوٹرائزڈ قومی شناختی کارڈ نمبر	فلیو / ای سی ڈی سی نمبر	ای میل کا پتہ	موبائل فون نمبر

ویڈیولنک اور لاگ ان کرنے سے متعلق تفصیلات صرف انہی حصص داران / پراکسی (پراکسی فارم جمع کروانا لازم ہے) کو فراہم کی جائیں گی جن کی جانب سے اجلاس شروع ہونے سے کم از کم 72 گھنٹے قبل مذکورہ معلومات جمع کروادی جائیں گی۔ نامکمل، مشکوک اور آخری تاریخ کے بعد موصول ہونے والی معلومات کو اجلاس کی کاروائی میں شامل نہیں کیا جائے گا۔

2۔ حصص منتقلی کھاتوں کی بندش

کمپنی کی حصص منتقلی کے کھاتے برائے سالانہ عام اجلاس میں شرکت اور رائے دہی کے ضمن میں مؤرخہ 22-01-2021 تا 28-01-2021 (بشمول ایام مذکورہ) بند رہیں گے۔ ایسی تمام دستی منتقلیاں / سی ڈی ایس منتقلیاں اور آئی ڈی ایس جو کہ ہر لحاظ مکمل ہوں اور کاروباری دن کے اختتام مؤرخہ 21-01-2021 تک کمپنی کے حصص رجسٹرار مجید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، کراچی چیمبر، حسرت موہانی روڈ، کراچی کو موصول ہو جائیں تو انہیں بروقت تصور کیا جائے گا اور انہیں اجلاس میں شرکت اور حق رائے دہی کیلئے زیر غور لایا جائے گا۔

نوٹس برائے سالانہ عام اجلاس

بذریعہ ہدایہ اطلاع دی جاتی ہے کہ کمپنی کے حصص داران کا پینتیسواں سالانہ عام اجلاس (AGM) 28 جنوری 2021 بوقت صبح 10:00 بمقام رجسٹرڈ شدہ دفتر، آفس نمبر 204، دوسری منزل، کلفٹن سینٹر، بلاک 5، کراچی منعقد کیا جائے گا۔ اجلاس ہذا میں درج ذیل امور کو زیر بحث لایا جانا مقصود ہیں:

عمومی امور

- 1- کمپنی کے غیر معمولی سالانہ عام اجلاس مورخہ 31 اکتوبر 2020 کی کارروائی کی شقوں کی توثیق کرنا۔
- 2- کمپنی کی آڈٹ شدہ مالیاتی دستاویزات بابت مالی سال 30 ستمبر 2020 بمعہ ڈائریکٹرز و آڈیٹرز رپورٹ کو وصول کرنا اور اس پر غور و خوض کرنا اور اسے اپنانا۔
- 3- مالی سال 2020-21 کیلئے آڈیٹر کی تعیناتی کرنا اور ان کے مشاہرے کا تعین کرنا۔ موجودہ آڈیٹر میسرز کریسٹن حیدر بھی اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس ریٹائر ہو رہے ہیں اور انہوں نے اپنی اہلیت کی بنیاد پر ایک مرتبہ پھر اپنی خدمات کو پیش کرنے کا ارادہ ظاہر کیا ہے۔
- 4- چیئرمین کی اجازت سے کسی بھی دیگر عام نوعیت کے مسئلے پر بحث کرنا۔

بحکم بورڈ

محمد مبین عالم
کمپنی سیکرٹری

کراچی: 07 جنوری 2021

نوٹس:

- 1- کورونا (COVID - 19) کی وباء سے پیدا ہونے والی حالیہ صورتحال کے پیش نظر اور حکومت پاکستان کی جانب سے عوامی اجتماعات پر لگائی جانے والی پابندی کے بعد سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے سرکلر نمبر 5 بابت 2020 بحوالہ EMD/MISC/82/2012 مجریہ 17 مارچ 2020 تمام کمپنیوں کو ہدایات دی گئی ہیں کہ اپنے عام سالانہ اجلاسوں اور غیر معمولی عام سالانہ اجلاسوں کے سلسلے میں کئے جانے والے بندوبست میں ترمیم کریں اور اپنے حصص داران کی فلاح و بہبود کو مد نظر رکھتے ہوئے بڑے عوامی اجتماعات سے اجتناب کریں اور عوامی اجتماعات سے گریز کرنے کیلئے ویڈیولنک، ویپنار کی سہولت فراہم کی جائے یا پھر اس بات کو یقینی بنایا جائے کہ کم از کم حصص داران کی موجودگی میں تمام تر حفاظتی تدابیر کا خیال رکھتے ہوئے اجلاس منعقد کئے جائیں۔

Chairman's Review

I am pleased to present this report to the shareholders of Sanghar Sugar Mills Limited (the Company) and it gives me the immense pleasure to present the financial and other information for the year ended September 30, 2020 and to appraise them on the overall performance of the Board and effectiveness of the role played by the Board in achieving the Company's Goals, Corporate Objectives and Strategy based on Strategic Planning which are in line with the Vision and Mission of the Company.

The financial year 2019-20 was a very difficult year due to COVID-19 pandemic and economic conditions of the Country. Global and local business environment remained highly challenging, with the impact of COVID-19 spreading across the whole world which has posed serious threats and losses of lives, loss of employment, liquidity and more prominent to business continuity. Your Company is a seasonal manufacturing Company, therefore, the impact of COVID-19 and post lockdown has not affected the operations / manufacturing facilities of the Company. The Board ensured that the Company take advantage of different schemes and concessions announced / allowed by the State Bank of Pakistan to conserve working capital.

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

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

The Board met the duties as required under the Companies Act, 2017 and the Code of Corporate Governance, applicable to the Company which include approval of significant policies, establishing a sound system of internal controls, approval of budgets and financial results, along with approval of significant investments. The Audit Committee and the Human Resource & Remuneration Committee were chaired by the independent director, indicating our commitment to the highest levels of governance and transparency. The Audit Committee has continued to supervise the financial reporting processes and ensuring timely and accurate communication of information to all stakeholders.

The Board ensures that reasonable time is available for discussion on the agenda during Board Meetings. All written notices, including the agenda, supporting documents and other working papers of meetings were circulated within a reasonable time prior to the meetings. Further, the Board has a fiduciary responsibility for the proper direction and control of the activities of the Company. This responsibility includes such areas of stewardship as the identification and control of the Company's business risks, the integrity of management information systems and transparent reporting to shareholders.

The Company continues to deal with the current challenging business environment and strategic changes to improve the future sustainability, the Board is fully responsive and actively guided the Management. I am confident that the Management will successfully device necessary adjustments in the Company's operations, financial management and growth strategy.

Looking ahead, the Company aims to further enhance its competitive position by expanding manufacturing capabilities, strengthening research and development by leveraging its expertise. The Board and management are focused on creating enduring value for all stakeholders through improved operational efficiencies, cost controls, portfolio diversification and leveraging strong customer relationships.

I would like to place on record, my sincere appreciation for devotion of duty, loyalty and hard work of the executives, officers, staff members and workers for smooth running of the Company's affairs and hope that they will continue for enhancement of productivity with great zeal and spirit under the blessings of Almighty Allah. And thanks to all the Government functionaries, banking and non-banking financial institutions, suppliers and shareholders for their continued support and cooperation for the betterment and prosperity of the Company.

Ghulam Dastagir Rajar
Chairman

Karachi: January 02, 2021

بورڈ کی جانب سے اس بات کو یقینی بنایا جاتا ہے کہ بورڈ کے اجلاسوں دوران ایجنڈے پر موجود معاملات کو زیر بحث لانے کے لئے خاطر خواہ وقت فراہم کیا جائے۔ تمام تحریری نوٹس بشمول ایجنڈا دیگر ضروری دستاویزات اور اجلاسوں سے متعلق ورکنگ پیپرز کو اجلاسوں سے کافی پہلے شراکتک پہنچا دیا جاتا ہے۔ مزید برآں، بطور نمائندہ بورڈ کی بنیادی ذمہ داریوں میں یہ بات شامل ہے کہ کمپنی کے معاملات میں مناسب ہدایات فراہم کریں اور کمپنی کی سرگرمیوں پر مکمل کنٹرول رکھیں۔ ان ذمہ داریوں میں بطور نگران کمپنی کو لاحق خطرات کی نشاندہی کرنا اور انہیں کنٹرول کرنا، مینجمنٹ انفارمیشن سسٹم کو مربوط بنانا اور حصص داران کے لیے کی جانے والے رپورٹنگ کو شفاف بنانا بھی شامل ہیں۔

کمپنی حالیہ کاروباری مسائل سے نمٹنے اور مستقبل میں مستقل بنیادوں پر کارکردگی کو یقینی بنانے کے لئے اپنے فرائض منصبی ادا کرنے میں مصروف ہے، بورڈ پوری طرح مستعد ہے اور متحرک انداز سے انتظامیہ کی رہنمائی کر رہا ہے۔ میں پر اعتماد ہوں کہ کمپنی کے آپریشنز، مالی بندوبست اور کمپنی کی نشوونما کے سلسلے میں کمپنی کی انتظامیہ کامیابی کے ساتھ مطلوبہ تبدیلیاں لانے کی مکمل اہلیت رکھتی ہے۔

مستقبل پر نظر رکھتے ہوئے، کمپنی اپنی مسابقتی پوزیشن کو مزید تقویت بخشنے کے لیے پرعزم ہے اور اس مقصد کے لیے کمپنی اپنی پیداواری صلاحیتوں میں اضافہ کرنے اور اپنی مہارتوں کو مزید نکھارنے کیلئے تحقیق اور ترقی کو فروغ دے رہی ہے۔ بورڈ اور انتظامیہ کی توجہ اس جانب مرکوز ہے کہ تمام شراکت داروں کے لئے ان کی سرمایہ کاری کی قدر میں مستقل بنیادوں پر اضافہ کیا جائے اور اس مقصد کے لیے کمپنی کے آپریشنز کو مزید موثر بنایا جائے، کاروباری لاگت کو کنٹرول کیا جائے، مصنوعات کے امتزاج کو بہتر بنایا جائے اور صارفین کے ساتھ ایک مستقل تعلق کو فروغ دیا جائے۔

میں اپنی جانب سے اس بات کو یقیناً رکھتا ہوں کہ تمام اعلیٰ افسران، دیگر افسران اور ملازمین کی جانب سے کمپنی کے معاملات کو خوش اسلوبی کے ساتھ چلانے کیلئے جس اخلاص، ایمانداری اور محنت شاقہ کا مظاہرہ کیا گیا ہے وہ قابل ستائش ہے اور امید کرتا ہوں کہ آئندہ بھی اللہ رب العزت کی رحمت کے سائے تلے تمام افراد کمپنی کی پیداواری صلاحیت میں اضافے کیلئے اسی جوش و جذبے کا مظاہرہ کرتے رہیں گے۔ اس کے علاوہ اس موقع پر میں تمام سرکاری عمال، بینکاروں اور غیر بینکاری مالیاتی اداروں، ترسیل کاروں اور حصص داران کا بھی تہہ دل سے شکریہ ادا کرنا چاہتا ہوں کہ کمپنی کی ترقی اور خوشحالی کیلئے ان کی حمایت اور تعاون ہمیشہ ہمارے شامل حال رہے۔

غلام دستگیر راجڑ
چیرمین

کراچی: 2 جنوری 2021

چیمبر میں جائزہ رپورٹ

میری جانب سے انتہائی مسرت کے ساتھ نگرشوگر ملز لمیٹڈ کمپنی کی رپورٹ ہذا کو حصص داران کی خدمت میں پیش کیا جا رہا ہے، نیز میں انتہائی مسرت کے ساتھ 30 ستمبر 2020 کو ختم ہونے والے مالی سال کی بابت کمپنی سے متعلق مالیاتی دستاویزات و دیگر معلومات بھی آپ کی خدمت میں پیش کر رہا ہوں اور اس کے ساتھ ساتھ بورڈ کی مجموعی کارکردگی کا جائزہ اور کمپنی کے اہداف، کارپوریٹ مقاصد کے حصول اور منصوبہ بندی پر مبنی حکمت عملی کی کامیابی کے سلسلے میں بورڈ کی جانب سے ادا کیے جانے والے موثر کردار کا جائزہ بھی رپورٹ ہذا میں پیش کیا جا رہا ہے جو کہ کمپنی کے ویژن اور مشن کے عین مطابق ہے۔

مالی سال 2019-20 کا دورانیہ COVID-19 اور ملک کی معاشی صورتحال کی وجہ سے انتہائی مشکل رہا، مقامی اور بین الاقوامی سطح پر کاروباری حالات پیچیدہ مسائل کا شکار رہے جس کی وجہ سے COVID-19 کے منفی اثرات تھے، ان منفی اثرات کے باعث ایک جانب قیمتی جانوں کو بہت خطرات لاحق رہے اور بہت سے لوگ اپنی قیمتی جانوں سے ہاتھ دھو بیٹھے تو دوسری جانب ملازمتوں کا فقدان پیدا ہوا اور سب سے بڑھ کر کاروبار کو جاری رکھنا انتہائی مشکل ہو گیا۔ آپ کی کمپنی ایک ایسے شعبے سے تعلق رکھتے ہیں جس میں پیداواری عمل ایک خاص سیزن تک محدود ہوتا ہے لہذا COVID-19 کی وجہ سے لگائے جانے والے لاک ڈاؤن اور لاک ڈاؤن کے بعد پیدا ہونے والے حالات کے اثرات سے کمپنی کے افعال متاثر نہ ہوئے۔ بورڈ کی جانب سے اس بات کو یقینی بنایا گیا کہ اسٹیٹ بینک آف پاکستان کی جانب سے اعلان کردہ مختلف رعایتی اسکیموں سے فائدہ اٹھایا جائے تاکہ ورکنگ کیپٹل کی بچت کو ممکن بنایا جاسکے۔

ہم اس بات پر یقین رکھتے ہیں کمپنی کی گورننس کے بنیادی نظام میں مسلسل بہتری لائی جائے۔ اس مقصد کے لیے بورڈ کی کارکردگی کو جانچنے کی غرض سے ایک باقاعدہ اور مؤثر نہیں نظام وضع کیا گیا ہے۔ لہذا کوڈ آف کارپوریٹ گورننس کے قوانین کے تحت کمپنی کے بورڈ کی سالانہ کارکردگی کا جائزہ مکمل کیا جا چکا ہے جس کا مقصد اس بات کو یقینی بنانا تھا کہ بورڈ کی مجموعی کارکردگی کمپنی کی جانب سے اپنے مقاصد کے تناظر میں متعین کیے جانے والے معیارات کے مطابق ہے۔

بورڈ کی جانب سے ڈائریکٹروں کے لیے ایک تعارفی نشست کا اہتمام کیا گیا جس میں انہیں قواعد بنانے والے مجاز اداروں کی جانب سے بنائے جانے والے قواعد و قوانین سے روشناس کروایا جاسکے تاکہ وہ حصص داران کیلئے اور ان کی جانب سے کمپنی کے معاملات کو موثر انداز سے چلانے کے قابل ہو سکیں۔

بورڈ کی جانب سے سینیئر ایکٹ 2017 اور کمپنی پر اطلاق ہونے والے کوڈ آف کارپوریٹ گورننس کے قواعد کے مطابق اپنے فرائض منصبی کو تندرہی سے ادا کیا گیا، فرائض منصبی میں اہم پالیسیوں کی منظوری حاصل کرنا، اندرونی کنٹرول کا ایک مؤثر نظام وضع کرنا، بجٹ اور مالیاتی نتائج کی منظوری حاصل کرنا اور اس کے ساتھ ساتھ سرمایہ کاری سے متعلق اہم امور کی منظوری حاصل کرنا شامل ہیں۔ آڈٹ کمیٹی اور انسانی وسائل و ادائیگیوں کی کمیٹی کی سربراہی غیر جانب دار ڈائریکٹر کی جانب سے کی گئی، جس سے صاف ظاہر ہوتا ہے کہ کمپنی گورننس کے اعلیٰ معیار کی پاسداری اور شفافیت کیلئے پرعزم ہے۔ آڈٹ کمیٹی کی جانب سے مالیاتی معاملات کی رپورٹنگ کی نگرانی کی جاتی رہی ہے تاکہ اس بات کو یقینی بنایا جاسکے کہ تمام شرائط داروں تک صحیح اور بروقت معلومات پہنچائی جاسکیں۔

Directors' Report

The Directors of your Company are pleased to present Thirty Fifth Annual Report with the Audited Financial Statements of the Company for the year ended September 30, 2020.

ABOUT THE INDUSTRY:

INDUSTRY OVERVIEW

Sugarcane production in Pakistan fluctuates every 2 to 5 years. Approximately sugarcane was planted on 1.0 million hectares which produced 67.67 million metric tons of sugar cane and cane sugar was produced 5.525 million metric tons. The projection for the year 2020-21 are the sugarcane planted on 1.2 million hectares which will produce 72 million metric tons of sugar cane and cane sugar will produce 5.86 million metric tons. After three successive years of increases in sugar production, it is on a downward trajectory mainly due to a decrease in area followed by a significant acreage of ratoon crop. In addition to sugar, sugarcane is used in the production of pharmaceuticals, ethanol, bagasse for paper and chip board manufacturing and press mud - a source of organic fertilizer for crop production. Sugarcane is typically grown on the high delta away from flood areas along Pakistan's major rivers.

According to experts, water shortages, a lack of high yielding varieties and uneven fertilizer and pesticide application contribute to lower yields. Pakistan would benefit from additional sugarcane research and development initiatives in line with international standards.

There are several sugar mills in the country, providing job opportunities to people and contributing billions of rupees to the government exchequer annually in the form of taxes. Though sugar industry in Pakistan has always remained under criticism mainly on the grounds of earning huge profits through cartelization. Though the socio-economic growth in the rural population of Sindh, Punjab and the Khyber Pakhtunkhwa is associated with the sugar industry. These sugar mills normally contact the farmers directly to understand their problems and facilitate them in solving the issues of availability of seeds, fertilizers and pesticides.

The Trading Corporation of Pakistan (TCP) is mandated to maintain strategic stocks as well as to keep its supply line in operation for public sector outlets. This arrangement helps in maintaining the sugar supply and prices in the domestic market.

The provincial governments set procurement prices for sugarcane in consultation with representatives of both the sugar industry and farmers' organizations, based on the recommendations from the Ministry of National Food Security and Research and the provincial ministries of agriculture, food and industry. Mills are typically bound to pay farmers the minimum support price. The steady rise in sugarcane procurement prices has made it difficult for mills to profitably produce sugar. The sugar industry is also protected by a 40% import tariff designed to boost domestic sugar prices and protect the local industry from imports.

Industry reports showed that the average wholesale prices is increased prominently. While mills enjoyed a high prices in the domestic market and export subsidies, the media, influencers and consumer groups raised concerns about the country's sugar production and availability, subsidies, export and pricing mechanisms. As a result the current Government ordered an investigation of the sugar mills.

Given that sugarcane prices are fixed by the government and sugar prices are determined by market forces, which is exhibiting a declining trend, the same may result in a cost-price mismatch, whereby change in retail sugar prices may not correspond with the change in raw material costs including other overheads as well.

The last couple of years, the conflict between farmers and sugar millers over the issue of price is deepened. The farmers are insisting on higher price for sugarcane and the sugar mills are complains about ever increasing cost of production.

ABOUT YOUR COMPANY:

PRINCIPAL ACTIVITIES

The Company is principally engaged in the manufacture and sale of sugar and sale of its by-products i.e. molasses and bagasse. The Company has also installed bagasse fired transmission equipment to sell surplus electric power. The manufacturing facilities are located at Sanghar Sindhri Road, Deh Kehore, District Sanghar in the province of Sindh.

OPERATING RESULTS & ITS REVIEW

	2019-2020	2018-2019
Season started on	15-11-2019	21-11-2018
Season completed on	02-03-2020	28-02-2019
Duration of crushing days	109	100
Sugarcane crushed (Metric Tons)	387,302.875	490,931.929
Average daily crushing (Metric Tons)	3,553.24	4,909.32
Cane sugar produced (Metric Tons)	39,804.25	52,799.25
Sucrose recovery (%)	10.26	10.75

As reported earlier, due to the shortage of cane, your Company is able to crush 387,302.875 M. Tons of Sugar cane compared with 490,931.929 M. Tons of Sugar cane in the last crushing season resulting in a short fall of 21.10% in crushing & producing 39,804.25 M. Tons of sugar, resulting in a shortfall of 24.61% of Sugar, when compared with production of 52,799.25 M. Tons of last season. During the crushing period, supply of cane was not regular due to shortage of cane in the province, resulting in increased cane prices and intermittent supply also results in low recovery due to frequent stoppages etc.

FINANCIAL RESULTS & ITS REVIEW

The key financial figures of the Company for the year ended September 30, 2020 along with the comparatives for the corresponding year are summarized as under:

	2020	2019
	(Rupees in '000)	
Loss before taxation	(98,846)	(148,608)
Taxation	19,909	(49,753)
Loss after taxation	(118,755)	(98,855)
Loss per share-basic and diluted (Rupees)	(9.94)	(8.28)

During the year, dominated by COVID-19, Company's loss before taxation was Rs. 98,846 thousand compared with loss before taxation of Rs. 148,608 thousand in last year. During the year, we managed to keep the cane procurement cost on the lower side when compared to the adjoining mills, gradually reduced the utilization of short term borrowings to keep the markup cost on lower side despite the high KIBOR rates, managed & control the manufacturing and administrative expenses despite phenomenal increase in inflation. Despite our efforts the results are still in negative, mainly due to increase in sales tax rate, which increases from 8% to 17% during the year. The impact of sales tax alone is Rs. 151,273 thousand.

All our efforts of achieving lower cost of cane procurement, selling sugar efficiently, keeping expenses at controllable level could not bear fruits of profits due to the facts mentioned above.

COMMENTS ON AUDITOR'S REPORT

The statutory auditors of the Company emphasizing the matter in their report regarding non-provision of Rs. 22 per maund for the season 2017-18, in this regard we would like to inform you that, your financials are prepared by taking sugar cane purchased at Rs. 160 per 40 k.g. in the light of the interim order passed by the Honourable High Court of Sindh with the consent of all the stakeholders, we hope that considering the continued depressed economic condition of the sugar industry, the final decision by the Courts is likely to be in line with the consent order.

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Board of Directors and the Company remain committed to the principles of good corporate management practice with emphasis on transparency and disclosures. The Board and management are cognizant of their responsibilities and monitor the operations and performance to enhance the accuracy, comprehensiveness and transparency of financial and non-financial information.

The Company is fully compliant with the Code of Corporate Governance and as per the requirements of the listing regulations, following specific statements are being given hereunder:

- o The Financial Statements prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.

- o Proper books of accounts of the Company have been maintained.
- o Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- o International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of Financial Statements and there is no departure there from.
- o The system of internal control is sound in design and has been effectively implemented and monitored.
- o There are no significant doubts upon the Company's ability to continue as going concern.
- o There has been no material departure from the best practices of the Corporate Governance as detailed in the Regulations.
- o The Key Operating and Financial Data for last ten years in summarized form are annexed.
- o There are no statutory over dues otherwise than those disclosed in the financial statements and statutory payments due on account of taxes duties, levies and charges are being made in the normal course of business.
- o An unfunded gratuity scheme is in operation for all permanent eligible employees and also the Leave Encashment Scheme for eligible employees to be paid at the time of retirement or leaving the Company. Provision are made annually to cover the obligation on the basis of actuarial valuation, related details of which are mentioned in the notes to the Financial Statements.
- o The Pattern of Shareholding is annexed.
- o In terms of the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Companies shall ensure that all the directors on their boards have acquired the prescribed certification under Director Training Program. All the directors, except Haji Khuda Bux Rajar and Ms. Nazia Azam, have attended and completed directors' training course conducted by Institutes / organizations authorized by the Securities & Exchange Commission of Pakistan. Haji Khuda Bux Rajar has the prescribed education and experience required for exemption under Regulations accordingly he is exempted from attending directors' training program and Ms. Nazia Azam will attend and complete the Training Program in due course of time, as allowed by the Regulations.
- o The Board strives to continuously improve its and Board Committees' effectiveness. Board of Directors has developed a mechanism as required under the Code of Corporate Governance to undertake annual evaluation to assess Board's and its Committees' performance. The Board also reviews developments in corporate governance to ensure that the Company always remains aligned with best practices.
- o To the best of our knowledge, the Directors, Executives and their spouses and their minor children have not undertaken any trading of Company's shares during the year.
- o Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 for the year is annexed with the Report.

CORPORATE GOVERNANCE & ADHERENCE TO BEST PRACTICES OF CORPORATE GOVERNANCE

The Company has a long history of adherence to high standards of ethical practices, and it continues to uphold these standards going forward. The Board defines a path of continuous improvement by constantly challenging existing processes and the Board has fiduciary responsibility for the proper direction and control of the activities of the Company. This responsibility includes such areas of stewardship as the identification and control of the Company's business risks, the integrity of management information systems and transparent reporting to shareholders.

The Corporate Governance structure of the Company is based on the Articles of Association as well as statutory, regulatory and other compliance requirements applicable to companies listed on the Pakistan Stock Exchange and the same is complemented by several internal procedures including a risk assessment and control system, as well as system of assurance on compliance with the applicable laws, regulations and the Company's Code of Conduct.

NUMBER OF DIRECTORS

The total numbers of Directors are eight as per the following:

- a) Male: Seven
- b) Female: One

COMPOSITION OF THE BOARD

The composition of Board is as follows:

Independent Director

Male:

Mr. Rahim Bux

Mr. M. Abdul Jabbar

Female:

Ms. Nazia Azam

Other Non-Executive Directors

Mr. Ghulam Dastagir Rajar

Mr. Muhammad Aslam

Mr. Qazi Shamsuddin

Executive Directors

Haji Khuda Bux Rajar

Mr. Ghulam Hyder

BOARD COMMITTEES

The Board has formed committees comprising of members given below:

a) Audit Committee:

Name	Status
Mr. Rahim Bux	Chairman
Mr. Ghulam Dastagir Rajar	Member
Mr. M. Abdul Jabbar	Member

b) Human Resource and Remuneration Committee:

Name	Status
Mr. Rahim Bux	Chairman
Mr. Ghulam Hyder	Member
Mr. M. Abdul Jabbar	Member

c) Risk Management Committee:

Name	Status
Mr. Muhammad Aslam	Chairman
Haji Khuda Bux Rajar	Member
Mr. Qazi Shamsuddin	Member

d) Corporate Social Responsibility Committee:

Name	Status
Mr. Muhammad Aslam	Chairman
Mr. Qazi Shamsuddin	Member
Ms. Nazia Azam	Member
Syed Rehan Ahmad Hashmi	Member

e) Information Technology & Steering Committee:

Name	Status
Mr. Ghulam Hyder	Chairman
Syed Rehan Ahmad Hashmi	Member
Mr. Sheraz Khan	Member

ATTENDANCE OF BOARD OF DIRECTORS AND COMMITTEES**Attendance of Board of Directors in Board Meeting**

Seven Board meetings were held during the year. Leave of absence was granted to the Directors unable to attend the meeting. Attendance by each Director was as mentioned below:

	Name of Directors	Status	No. of Meetings Attended
1)	Mr. Gul Muhammad	Chairman	7
2)	Mr. Ghulam Hyder	Chief Executive	7
	(Appointed as Chief Executive with effect from June 01, 2020)		
3)	Haji Khuda Bux Rajar	Director	6
	(Resigned as Chief Executive with effect from May 31, 2020)		
4)	Mr. Muhammad Aslam	Director	7
5)	Mr. Rahim Bux	Director	7
6)	Mr. Qazi Shamsuddin	Director	6
7)	Mr. Shahid Aziz	Director (N.I.T.)	7

Attendance of Members in Meeting of Audit Committee

Six meetings of Audit Committee were held during the year. Attendance by each Member was as mentioned below:

	Name of Members	Status	No. of Meetings Attended
1)	Mr. Rahim Bux	Chairman	6
2)	Mr. Shahid Aziz	Member	6
3)	Mr. Muhammad Aslam	Member	6

Attendance of Members in Meeting of Human Resource & Remuneration (H. R. & R.) Committee

Three meetings of H. R. & R. Committee were held during the year. Attendance by each Member was as mentioned below:

	Name of Members	Status	No. of Meetings Attended
1)	Mr. Rahim Bux	Chairman	3
2)	Mr. Muhammad Aslam	Member	3
3)	Mr. Shahid Aziz	Member	3

Attendance of Members in Meeting of Information Technology Committee

Two meetings of Information Technology Committee were held during the year. Attendance by each Member was as mentioned below:

	Name of Members	Status	No. of Meetings Attended
1)	Mr. Ghulam Hyder	Chairman	2
2)	Syed Rehan Ahmad Hashmi	Member	2
3)	Mr. Sheraz Khan	Member	2

Attendance of Members in Meeting of Corporate Social Responsibility (CSR) Committee

Four meetings of CSR Committee were held during the year. Attendance by each Member was as mentioned below:

	Name of Members	Status	No. of Meetings Attended
1)	Mr. Rahim Bux	Chairman	4
2)	Mr. Muhammad Aslam	Member	4
3)	Mr. Shahid Aziz	Member	4
4)	Syed Rehan Ahmad Hashmi	Member	4

Attendance of Members in Meeting of Risk Management Committee

Two meetings of Risk Management Committee were held during the year. Attendance by each Member was as mentioned below:

	Name of Members	Status	No. of Meetings Attended
1)	Mr. Muhammad Aslam	Chairman	2
2)	Mr. Ghulam Hyder	Member	2
3)	Mr. Shahid Aziz	Member	2

BOARD EVALUATION

Complying with the Code of Corporate Governance, the Board approved "Self-Evaluation Mechanism" for evaluation of performance of the Board, its directors and committees through discussion and questions focusing on the Board's scope, objectives, functions, responsibilities, the Company's performance and monitoring. The purpose of the evaluation is to ensure that the Board's performance is measured with reference to overall corporate objectives, governance structure of the Company, statutory & regulatory compliance, effectiveness, collaboration and value addition. The Board has evaluated all the factors based on the inputs of the Directors made in the Board Meeting. All members of the Board participated in performance evaluation and provided their feedback.

DIRECTORS TRAINING

One Director of the Company has the prescribed education and experience. Therefore, he is exempted from attending Director's Training Program pursuant to the Code of Corporate Governance Regulations. All other Directors have already completed approved Directors' Training Program as specified in the Corporate Governance except Ms. Nazia Azam. She is a newly appointed female Director and prescribed director training program will be completed in due course of time, as allowed by the Regulations.

CHIEF EXECUTIVE OFFICER'S PERFORMANCE REVIEW

Each year the Board establishes a list of goals and strategies aligned to achieve the mission of the Company. This helps in assessing how each objective is contributing towards the growth of the Company. The factors to be evaluated are adherence to the mission, long and short term objectives, ensuring long term profitability, increasing shareholder's value and ensuring good governance and statutory reporting.

ROLE OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER (CEO)

Chairman acts as custodian of the Company on behalf of the Board and Stakeholders. He heads the Board of Directors and is responsible for ensuring the Board's effectiveness. The Chairman ensures the development of business and protection of goodwill of the Company.

CEO has the prime responsibility of driving for achievement of the Company's vision, mission and its long term goals. He acts as a link between the Board and management of the Company and communicates with the Board on behalf of the management. The CEO is responsible for the day to day management of the Company's affairs and execution of long term strategy and plans. CEO also represents the Company to the shareholders, government authorities and the public. He is the leader and the decision maker to achieve targets.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Directors confirm that the compliance with highest standard of Corporate Governance and comprehensive policies and procedures on internal financial controls has been approved by the Board and are in place and have been effectively implemented and monitored. The Board has established a system of internal control and formulated policies for ensuring efficient conduct of its business, safeguarding the Company's assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

THRESHOLD FOR DETERMINING EXECUTIVE

Pursuant to the requirement of Clause 5.6.4 of the Listing Regulations (Rule Book) of the Pakistan Stock Exchange, the Board has set out a Threshold for determining an 'Executive' in respect of trading of Company's shares. The person whose annual basic salary exceeds Rs. 2.3 million during the year is treated as executive.

RELATED PARTY TRANSACTIONS

The Related party transactions were placed before the Board Audit Committee and approved by the Board. These transactions were in-line with the requirements of International Financial Reporting Standards (IFRS) and the Companies Act, 2017. The Company maintains a thorough and complete record of all such transactions.

Remuneration of Chief Executive, Directors and Executives

The remuneration of the Board Members are approved by the Board itself. However, in accordance with the Code of Corporate Governance, it is ensured that no Director takes part in deciding his/her own remuneration. The aggregate amount charged during the year for remuneration, including all benefits to the Chief Executive, Directors and Executives of the Company are disclosed in Note No. 38 of the annexed Financial Statements. Policy for Director's remuneration and meeting fee are annexed with the report.

Other Transactions

The Company in the normal course of business carried out transactions with Key Management Personnel (KMP) / related parties. The transactions reflect economic substance and are executed in the normal course of business and are disclosed in Note No. 39 of the annexed Financial Statements.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly.

Name of Related parties with whom the Company has entered into transactions or had agreements and arrangements in place during the financial year along with the basis of relationship are also disclosed in respective notes to the financial statements. Contract or arrangements with related parties were in the ordinary course of business and were at arm's length basis.

MATERIALITY APPROACH

Determining materiality levels is subjective and varied between organizations. Authorizations for transactions and delegation of powers have been define clearly and carried out through formalized process in the Company. The Company has approved materiality policy, which is reviewed annually to check its relevance.

HUMAN RESOURCE MANAGEMENT & SUCCESSION PLANNING

Human resource planning and management is one of the most important considerations with the senior management. The Board has established a Committee which is involved in the selection, evaluation, compensation and succession planning of key management personnel. It is also involved in recommending improvements in the human resource policies and procedures and their periodic review.

The Company is committed to build the better organizational culture that is shaped by empowered employees who demonstrate a deep belief in the Company's Vision and Values. H.R. Management Policy is integral part of the Company's business strategy. The Company fosters leadership, individual accountability and team work.

The Company believes in pro-active approach towards Succession Planning. The Company recruits employees, develops their knowledge, skills, abilities and prepares them for advancement and promotion into more challenging roles. Succession Planning ensures that employees are constantly developed to fill each needed role. The Company looks for people who exemplify continuous improvement when it is spotting Successors for future.

CONFLICT OF INTEREST

The management of Company has the policy for actual and perceived conflicts of interest and measures are adopted to avoid, identify the existence and to disclose the existence of conflict of interest. No employee will perform any kind of work (directly or indirectly) for a third party without proper approval. Employees must notify their any actual or potential conflict of interest situation and obtain an advice or ruling as the case may be. The primary goal of Company is to manage conflicts of interest to ensure that decisions are made and are seen to be made on proper grounds, for legitimate reasons and without bias. The Company has set the procedures to manage and monitor the conflict of interest.

Every director is required to provide to the Board complete details regarding any material transaction which may bring conflict of interest with the Company for prior approval of the Board. The interested director(s) do not participate in the discussion neither they vote on such matters. The transactions with all the related parties are made on arms length basis and complete details are provided to the Board for their approval. Further all the transactions with the related parties are fully disclosed in the financial statements of the Company.

IMPACT OF COMPANY'S BUSINESS ON ENVIRONMENT

It is the responsibility of the Company to make the environment healthy and clean. Therefore, the Company has made serious efforts and are installing equipment to reduce the pollution and making a good impact of Company's business on Environment. The Company has installed collection units to retrieve oil / grease e.t.c. from the waste water and ash collectors are also installed at the chimneys to absorb the ash. Further, the Effluent treatment plant are in process of construction and simultaneously has started trial.

Further, it is to inform you that the Company has finalized the Environmental Management Plan and has also conducted all environmental examination and is working hard to significantly reduce the consumption of water by doing following steps;

- o Increase in imbibition water Temperature at Mill House from 40 Centigrade to 55 Centigrade using condensate water in place of raw water.
- o Reactivation of cooling tower for vertical crystallizer by this we are re cycling water use for crystallizer cooling purposes. Intake of fresh water is minimized only to make up water loss due to evaporation.
- o Process chemicals are prepared with condensate water in place of raw water. We are working on reducing, re-cycle and re-use of water.

INVESTOR GRIEVANCE AND COMPLAINTS

The Company allows full access to all shareholders including potential investors, to call for relevant information or details on Company's operations and their own shareholding. The required information is provided immediately or a query / grievance is resolved promptly in accordance with the regulatory guidelines.

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

Report of Sustainability and Corporate Social Responsibility is annexed

RISK MANAGEMENT & STRATEGY

The Company's overall risk management program focus on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's operations. The Company's risk management policies are established to identify and analyze the risk faced by the Company, to set appropriate risk limits and control, and to monitor risks and adherence to limits. The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company considers the following material risk:

Operational Risk

Operational risk results in disruption of operations due to scarcity of material, energy outages and dearth of skilled human resources. To mitigate the operational risks, necessary strategies have been developed and substantial investments are continuously being made to ensure the reliability of operating plant. The Company has carried out necessary repairs & maintenance as required.

Market Risk

The Company is not materially exposed to the prices of raw material due to the fixation of prices by the Government. Strategies has been planned and implemented to overcome the huge cost of raw material.

Foreign Exchange Risk

The Company is not directly exposed to the risk of exchange rate fluctuation as at the year-end and the Company was not directly exposed during the year.

Credit Risk

Credit risk relates to the risk that a Company may encounter as a result of failure of the counter parties to satisfy their debts or obligation in accordance with the agreed terms of credit. To manage exposure to credit risk in respect of trade receivables, management performs credit reviews taking into account the customer's financial position, past experience and other factors. The Company manages credit risk interalia by setting out credit limits in relation to individual customers and / or by obtaining advance against the sales and / or through letter of credits and / or by providing adequate allowance for doubtful debts. The Company believes that it is not exposed to major concentration of credit risk.

Liquidity Risk

Liquidity risk arises when the Company has insufficient ready cash and encounters difficulty in meeting its financial obligation. The Company manages liquidity risk by maintaining sufficient cash and ensuring the fund availability through adequate credit facilities. As at the year-end, the Company has available un-availed short term borrowing facilities and also has cash & bank balances. The management believes that the Company is not significantly exposed to the liquidity risk.

Interest Rate Risk

Interest rate risk arises due to fluctuation in interest rates resulting in adverse future cash flows. Company's exposure to interest rate is associated with the long term financing and short term borrowings. The Company monitors interest rate fluctuation and encounters interest rate risk by utilizing optimal mix of different types of borrowing arrangements.

CONTRIBUTION TO NATIONAL EXCHEQUER

The Company is contributing to the National growth by sharing its revenue with the nation in the form of taxes, rates and duties. The Company contributed to National Exchequer in the form income taxes, sales tax and other levies amounting to Rs. 594,011 thousand during the year as compared to Rs. 425,841 thousand during the last year.

FUTURE PROSPECTS

Due to increase in area under cultivation by about 10% to 12%. your management see increase in crushing of sugar cane as well as increase in production of sugar. This increase in production may not cater the overall demand of the country and we foresee higher selling price of sugar, on the other hand, cane growers also expecting prices above the minimum prices announced by the Government of Sindh and has deliberately slowed down the harvesting of cane to increase the price of cane. We expect that all the stakeholders will keep the cost of sugarcane in-line with the selling price of sugar.

In addition, operational areas related to cane are effected due to stagnant water after the torrential rain of July 2020 & August 2020 which may effect on final sucrose recovery of our mills.

CAPITAL RESERVE

Revaluation surplus on property, plant & equipment is presented in the statement of financial position as part of equity and in the statement of changes in equity as a capital reserve being the part of equity. This surplus is a capital reserve and is not available for distribution to shareholders of the Company in accordance with the Section 241 of the Companies Act, 2017.

DIVIDEND & APPROPRIATION

Due to the circumstances already discussed, the Board of Directors of the Company in its meeting does not recommend any dividend and or appropriation for the year ended September 30, 2020.

SUBSEQUENT EVENT**Re-constituted Board of Directors After Election**

The Shareholders of the Company in the Extra Ordinary General Meeting of the Company held on October 31, 2020 elected the Eight Directors for the tenure of three years commencing from November 04, 2020, namely (1) Mr. Ghulam Dastagir Rajar (2) Haji Khuda Bux Rajar (3) Mr. Muhammad Aslam (4) Mr. Ghulam Hyder (5) Mr. Rahim Bux (6) Mr. Qazi Shamsuddin (7) Mr. M. Abdul Jabbar (8) Ms Nazia Azam.

The Board in this meeting elected Mr. Ghulam Dastagir Rajar as the Chairman of the Board. The Board also appointed Mr. Ghulam Hyder as the Chief Executive of the Company and appointed Haji Khuda Bux Rajar as Working Director for next term of three years effective from November 04, 2020 as authorized by the Articles of Association of the Company on the remuneration, terms and conditions, as approved by the Board. Accordingly, the re-constituted Board of Directors from November 04, 2020 has the following composition:

Names of Directors	Status	Category
1) Mr. Ghulam Dastagir Rajar	Chairman	Non-Executive Director
2) Mr. Ghulam Hyder	Chief Executive	Executive Director
3) Haji Khuda Bux Rajar	Director	Executive Director
4) Mr. Rahim Bux	Director	Independent Director
5) Mr. Muhammad Aslam	Director	Non-Executive Director
6) Mr. Qazi Shamsuddin	Director	Non-Executive Director
7) Mr. M. Abdul Jabbar	Director	Independent Director
8) Ms. Nazia Azam	Director	Independent Director

Re-constituted Audit Committee

The Board after election of Directors has re-constituted the Audit Committee effective from November 04, 2020 for the tenure of three years in order to comply with the provisions of the Code of Corporate Governance. Accordingly, the Board appointed three members of the Audit Committee having the following composition:-

Names of Members	Status	Category
1) Mr. Rahim Bux	Chairman	Independent Director
2) Mr. Ghulam Dastagir	Member	Non-Executive Director
3) Mr. M. Abdul Jabbar	Member	Independent Director

Re-constituted Human Resource & Remuneration Committee

The Board after election of Directors has reconstituted the Human Resource & Remuneration Committee (H.R. & R.) effective from November 04, 2020 for the tenure of three years in order to comply with the provisions of the Code of Corporate Governance. Accordingly, the Board appointed three members of the H.R. & R. Committee having the following composition:-

Names of Members	Status	Category
1) Mr. Rahim Bux	Chairman	Independent Director
2) Mr. Ghulam Hyder	Member	Executive Director
3) Mr. M. Abdul Jabbar	Member	Independent Director

Re-constituted Information Technology & Steering Committee

The Board after election of Directors has re-constituted the Information Technology & Steering (IT & S) Committee effective from November 04, 2020 for the tenure of three years in order to comply with the provisions of the Code of Corporate Governance. Accordingly, the Board appointed three members of the IT & S Committee having the following composition:-

Names of Members	Status	Category
1) Mr. Ghulam Hyder	Chairman	Executive Director
2) Syed Rehan Ahmad Hashmi	Member	Chief Financial Officer
3) Mr. Sheraz Khan	Member	Manager Management Information System

Re-constituted Corporate Social Responsibility Committee

The Board after election of Directors has re-constituted the Corporate Social Responsibility (CSR) Committee effective from November 04, 2020 for the tenure of three years in order to comply with the provisions of the Code of Corporate Governance. Accordingly, the Board appointed four members of the CSR Committee having the following composition:-

Names of Members	Status	Category
1) Mr. Muhammad Aslam	Chairman	Non-Executive Director
2) Mr. Qazi Shamsuddin	Member	Non-Executive Director
3) Mr. Nazia Azam	Member	Independent Director
4) Syed Rehan Ahmad Hashmi	Member	Chief Financial Officer - Representing Management

Re-constituted Risk Management (RM) Committee

The Board after election of Directors has re-constituted the Risk Management (RM) Committee effective from November 04, 2020 for the tenure of three years in order to comply with the provisions of the Code of Corporate Governance. Accordingly, the Board appointed three members of the RM Committee having the following composition:-

Names of Members	Status	Category
1) Mr. Muhammad Aslam	Chairman	Non-Executive Director
2) Haji Khuda Bux	Member	Executive Director
3) Mr. Qazi Shamsuddin	Member	Non-Executive Director

AUDITORS

The present Auditors M/s. Kreston Hyder Bhimji & Co. Chartered Accountants, retire at the conclusion of forthcoming Annual General Meeting and being eligible, have offered themselves for re-appointment. As suggested by the Audit Committee in terms of the Code of Corporate Governance, the Board of Directors has recommended their appointment as Auditors of the Company for the year ending September 30, 2021.

ACKNOWLEDGEMENT

Your Directors appreciate the various relief measures initiated by the Government of Pakistan and the State Bank of Pakistan to support the business industry to mitigate the adverse impact of COVID-19 and also wish to place on record their appreciation for devotion of duty, loyalty and hard work of the executives, officers, staff members and workers for smooth running of the Company's affair and hope that they will continue for enhancement of productivity with great zeal and spirit under the blessings of Almighty Allah.

The Directors would like to thank all the government functionaries, banking and non-banking financial institutions, suppliers and shareholders for their continued support and cooperation for the betterment and prosperity of the Company.

For & on Behalf of the Board

Ghulam Dastagir Rajar
Chairman

Ghulam Hyder
Chief Executive Officer

Karachi: January 02, 2021

تشکیل رسک مینجمنٹ کمیٹی

انتخابات کے بعد بورڈ کی جانب سے اگلے تین سال کیلئے تشکیل نو شدہ رسک مینجمنٹ کمیٹی کی تشکیل نو کی گئی جس کی مدت 4 نومبر 2020 سے شروع ہو چکی ہے، یہ تشکیل کوڈ آف کارپوریٹ گورننس کے قواعد کے عین مطابق ہے۔ بورڈ کی جانب سے تشکیل نو شدہ رسک مینجمنٹ کمیٹی میں تین ممبران کو منتخب کیا گیا ہے جس کی ترتیب درج ذیل ہے:

ممبران کے نام	عہدہ	درجہ بندی
1 جناب محمد اسلم	چیئر مین	غیر انتظامی ڈائریکٹر
2 حاجی خدا بخش	ممبر	انتظامی ڈائریکٹر
3 جناب قاضی شمس الدین	ممبر	غیر انتظامی ڈائریکٹر

آڈیٹرز

موجودہ آڈیٹرز میسرز کریسٹن حیدر بھیجی اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس آئندہ منعقد کئے جانے والے سالانہ عام اجلاس تک ریٹائر ہونے جارہے ہیں اور انہوں نے اپنی اہلیت کی بنیاد پر ایک مرتبہ پھر اپنی خدمات پیش کرنے کی خواہش ظاہر کی ہے۔ کارپوریٹ گورننس کے قواعد کے تحت، آڈٹ کمیٹی کی جانب سے سفارش کے بعد بورڈ آف ڈائریکٹرز نے بھی انکی دوبارہ تعیناتی کی سفارش کر دی ہے کہ انہیں مالی سال 30 ستمبر 2021 کیلئے بطور کمپنی آڈیٹرز تعینات کر لیا جائے۔

اظہار تشکر

آپ کے ڈائریکٹرز کو ویڈیو 19 کے منفی اثرات کو کم کرنے کے لئے کاروباری صنعت کی مدد کے لئے حکومت پاکستان اور اسٹیٹ بینک آف پاکستان کے ذریعے شروع کردہ مختلف امدادی اقدامات کو سراہتے ہیں۔ آپ کی کمپنی کے ڈائریکٹرز تمام منتظمین، افسران، اسٹاف ممبران اور دیگر ملازمین کی جانب سے کمپنی کے معاملات کو مستعد انداز سے چلانے کیلئے انکے اخلاص، ایمانداری اور محنت کیلئے تہہ دل سے ان کے مشکور ہیں۔ ڈائریکٹرز امید کرتے ہیں کہ مستقبل میں بھی ان کی جانب سے کمپنی پیداواریت میں اضافے کیلئے اسی جوش و جذبے کا مظاہرہ کیا جائے گا اور اللہ رب العزت کی رحمت ہمارے شامل حال رہے گی۔

نیز ڈائریکٹرز کمپنی کی بہبود اور ترقی کے ضمن میں تمام سرکاری عمال، بینکاروں اور غیر بینکاری مالیاتی اداروں، سپلائروں اور حصص داران کی جانب سے انکے تعاون اور حمایت کیلئے ان کے بھی بے حد مشکور ہیں۔

برائے منجانب بورڈ

غلام حیدر
چیف ایگزیکٹو آفیسر

غلام دستگیر راجڑ
چیئر مین

کراچی: 2 جنوری 2021

تشکیل کمیٹی برائے انسانی وسائل و ادائیگیاں

انتخابات کے بعد بورڈ کی جانب سے اگلے تین سال کیلئے انسانی وسائل و ادائیگیوں کی کمیٹی کی تشکیل نو کی گئی جس کی مدت 4 نومبر 2020 سے شروع ہو چکی ہے، یہ تشکیل کوڈ آف کارپوریٹ گورننس کے قواعد کے عین مطابق ہے۔ بورڈ کی جانب سے انسانی وسائل و ادائیگیوں کی کمیٹی میں تین ممبران کو منتخب کیا گیا ہے جس کی ترتیب درج ذیل ہے:

ممبران کے نام	عہدہ	درجہ بندی
1 جناب رحیم بخش	چیئر مین	غیر جانبدار ڈائریکٹر
2 جناب غلام حیدر	ممبر	انتظامی ڈائریکٹر
3 جناب عبدالجبار	ممبر	غیر جانبدار ڈائریکٹر

تشکیل انفارمیشن ٹیکنالوجی اینڈ اسٹیرنگ کمیٹی

انتخابات کے بعد بورڈ کی جانب سے اگلے تین سال کیلئے انفارمیشن ٹیکنالوجی اینڈ اسٹیرنگ کمیٹی کی تشکیل نو کی گئی جس کی مدت 4 نومبر 2020 سے شروع ہو چکی ہے، یہ تشکیل کوڈ آف کارپوریٹ گورننس کے قواعد کے عین مطابق ہے۔ بورڈ کی جانب سے انفارمیشن ٹیکنالوجی اینڈ اسٹیرنگ کمیٹی میں تین ممبران کو منتخب کیا گیا ہے جس کی ترتیب درج ذیل ہے:

ممبران کے نام	عہدہ	درجہ بندی
1 جناب غلام حیدر	چیئر مین	انتظامی ڈائریکٹر
2 سید رحمان احمد ہاشمی	ممبر	چیف فنانشل آفیسر
3 جناب شیراز خان	ممبر	مینجنگ مینجمنٹ انفارمیشن سسٹم

تشکیل کارپوریٹ معاشرتی ذمہ داری کمیٹی

انتخابات کے بعد بورڈ کی جانب سے اگلے تین سال کیلئے کارپوریٹ معاشرتی ذمہ داری کمیٹی کی تشکیل نو کی گئی جس کی مدت 4 نومبر 2020 سے شروع ہو چکی ہے، یہ تشکیل کوڈ آف کارپوریٹ گورننس کے قواعد کے عین مطابق ہے۔ بورڈ کی جانب سے کارپوریٹ معاشرتی ذمہ داری کمیٹی میں چار ممبران کو منتخب کیا گیا ہے جس کی ترتیب درج ذیل ہے:

ممبران کے نام	عہدہ	درجہ بندی
1 جناب محمد اسلم	چیئر مین	غیر انتظامی ڈائریکٹر
2 جناب قاضی شمس الدین	ممبر	غیر انتظامی ڈائریکٹر
3 محترمہ نازیہ اعظم	ممبر	غیر جانبدار ڈائریکٹر
4 سید رحمان احمد ہاشمی	ممبر	چیف فنانشل آفیسر - نمائندہ انتظامیہ

مابعد واقعات

انتخابات کے بعد بورڈ کی تشکیل نو

کمپنی کے غیر معمولی اجلاس عام منعقدہ 31 اکتوبر 2020 میں کمپنی کے حصص داران نے تین سال کیلئے آٹھ ڈائریکٹروں کا انتخاب کیا جس کی مدت 4 نومبر 2020 سے شروع ہو چکی ہے۔ منتخب شدہ ڈائریکٹروں میں (1) جناب غلام دستگیر راجڑ (2) حاجی خدا بخش راجڑ (3) جناب محمد اسلم (4) جناب غلام حیدر (5) جناب رحیم بخش (6) جناب قاضی شمس الدین (7) جناب ایم عبدالجبار (8) محترمہ نازیہ اعظم اس اجلاس میں بورڈ نے جناب غلام دستگیر راجڑ کو بورڈ کا چئیرمین منتخب کر لیا۔ بورڈ نے جناب غلام حیدر کو کمپنی کا چیف ایگزیکٹو اور حاجی خدا بخش راجڑ کو انتظامی ڈائریکٹر بھی منتخب کیا، یہ تمام تعیناتیاں بھی اگلے تین سال کیلئے کی گئیں جس کا آغاز 4 نومبر 2020 سے ہو چکا ہے جیسا کہ اس سلسلے میں کمپنی آرٹیکلز آف ایسوسی ایشن میں اجازت دی گئی ہے کہ اس ضمن میں مشاہرے اور شرائط و ضوابط کی منظوری بورڈ سے لی گئی ہے۔ لہذا، تشکیل نو کے بعد 4 نومبر 2020 سے بورڈ آف ڈائریکٹرز کی ترتیب درج ذیل ہوگی:

ڈائریکٹروں کے نام	عہدہ	درجہ بندی
1 جناب غلام دستگیر راجڑ	چئیرمین	غیر انتظامی ڈائریکٹر
2 جناب غلام حیدر	ڈائریکٹر	انتظامی ڈائریکٹر
3 حاجی خدا بخش راجڑ	ڈائریکٹر	انتظامی ڈائریکٹر
4 جناب رحیم بخش	ڈائریکٹر	غیر جانبدار ڈائریکٹر
5 جناب محمد اسلم	ڈائریکٹر	غیر انتظامی ڈائریکٹر
6 جناب قاضی شمس الدین	ڈائریکٹر	غیر انتظامی ڈائریکٹر
7 جناب ایم عبدالجبار	ڈائریکٹر	غیر جانبدار ڈائریکٹر
8 محترمہ نازیہ اعظم	ڈائریکٹر	غیر جانبدار ڈائریکٹر

تشکیل نو آڈٹ کمیٹی

انتخابات کے بعد بورڈ کی جانب سے اگلے تین سال کیلئے آڈٹ کمیٹی کی تشکیل نو کی گئی جس کی مدت 4 نومبر 2020 سے شروع ہو چکی ہے، یہ تشکیل کوڈ آف کارپوریٹ گورننس کے قواعد کے عین مطابق ہے۔ بورڈ کی جانب سے آڈٹ کمیٹی میں تین ممبران کو منتخب کیا گیا ہے جس کی ترتیب درج ذیل ہے:

ممبران کے نام	عہدہ	درجہ بندی
1 جناب رحیم بخش	چئیرمین	غیر جانبدار ڈائریکٹر
2 جناب غلام دستگیر	ممبر	غیر انتظامی ڈائریکٹر
3 جناب ایم عبدالجبار	ممبر	غیر جانبدار ڈائریکٹر

لیکچر ڈیٹا رسک

لیکچر ڈیٹا رسک سے نمٹنے کیلئے کمپنی اپنے پاس خاطر خواہ نقد رقوم کا بندوبست کر کے رکھتی ہے اور اس بات کا بھی اہتمام کیا جاتا ہے ضرورت پڑنے پر قرض کے حصول کیلئے مناسب چینل دستیاب ہوں۔ سال کے اخیر میں کمپنی کے پاس قلیل المیعاد قرضوں کے حصول کیلئے ایسی سہولیات دستیاب ہیں جن سے اب تک فائدہ نہیں اٹھایا گیا اور اس کے علاوہ کمپنی کے پاس نقد رقوم اور بینک بیلنس بھی موجود ہے۔ انتظامیہ کے اندازوں کے مطابق فی الوقت کمپنی کو لیکچر ڈیٹا رسک کا سامنا نہیں ہے۔

سود سے متعلق رسک

سود سے متعلق رسک کا تعلق شرح سود میں اتار چڑھاؤ سے ہے جس کی وجہ سے مستقبل میں نقد رقوم کی ترسیل پر منفی اثرات مرتب ہو سکتے ہیں۔ کمپنی کو اس ضمن میں طویل المیعاد تمویل اور اقل المیعاد قرضوں کے سلسلے میں رسک کا سامنا رہتا ہے۔ کمپنی شرح سود میں اتار چڑھاؤ پر گہری نظر رکھتی ہے اور شرح سود سے متعلق رسک کو کم کرنے کیلئے قرضوں کے حصول کے سلسلے میں بہترین امتزاج مرتب کیا جاتا ہے۔

قومی خزانے میں کمپنی کا حصہ

وطن عزیز کی ترقی میں اپنا حصہ ملانے کیلئے کمپنی کی جانب سے قومی خزانے میں ٹیکسوں، ریس اور ڈیویڈنڈ کی مدد میں رقوم جمع کرائی جاتی ہیں۔ زیر نظر مالی سال کے دوران کمپنی کی جانب سے ٹیکسوں، سیلز ٹیکس اور دیگر لیویز کی مدد میں 594,011 ہزار روپے قومی خزانے میں جمع کروائے گئے جبکہ گزشتہ سال اسی عرصے کے دوران انہی مدد میں کمپنی کی جانب سے 425,841 ہزار روپے قومی خزانے میں جمع کروائے گئے تھے۔

مستقبل کا جائزہ

زیر کاشت رقبے میں 10% سے 12% کے اضافے کے باعث، آپ کی کمپنی کی انتظامیہ پر امید ہے کہ گنے کی پسائی اور چینی کی پیداوار میں اضافہ ہوگا۔ ہو سکتا ہے کہ اس اضافے سے مجموعی ملکی طلب پوری نہ کی جاسکے، اس لئے مستقبل میں بھی چینی کی قیمت بڑھنے کا رجحان نظر آ رہا ہے، جبکہ دوسری جانب صوبہ سندھ میں کاشتکار بھی حکومت کی جانب سے متعین کم از کم قیمت میں اضافے کی امید کر رہے ہیں اور قیمت میں اضافے کیلئے ان کی جانب سے گنے کی کاشت میں بھی سست روی سے کام لیا جا رہا ہے۔ ہم امید کرتے ہیں کہ تمام شراکت دار گنے کی قیمت کے تعین کیلئے چینی کی قیمت فروخت کو بھی مد نظر رکھیں گے۔

مزید برآں، گنے کی کاشت کے علاقے ابھی تک جولائی 2020 اور اگست 2020 میں موسلا دھار بارشوں کے بعد کھڑے ہوئے گدے پانی سے بھری ہوئی ہیں جس کے باعث حتمی طور پر سکروز ریکوری کی شرح پر منفی اثرات مرتب ہو سکتے ہیں۔

کیپٹل ریزرو

پراپرٹی، پلانٹ و دیگر آلات کی قدر کی تجدید کے بعد ہونے والے اضافے کو مالیاتی پوزیشن کی دستاویز میں بطور ایکویٹی اور ایکویٹی میں رد و بدل کی دستاویز میں بطور کیپٹل ریزرو ظاہر کیا گیا ہے جسے ایکویٹی کا حصہ بنادیا گیا ہے۔ یہ اضافہ کیپٹل ریزرو ہے اس لئے کمپنیز ایکٹ 2017 کے سیکشن 241 کے تحت یہ اضافہ کمپنی کے حصص داران کے مابین تقسیم کیلئے دستیاب نہیں ہے۔

تقسیم منافع (ڈویڈنڈ)

جیسا کہ حالات کا پہلے ہی ذکر کیا جا چکا ہے، بورڈ آف ڈائریکٹرز کی جانب سے مالی سال 30 ستمبر 2020 کیلئے کسی بھی منافع کی تقسیم کی سفارش نہیں کی گئی۔

استحکام اور کارپوریٹ معاشرتی ذمہ داری

استحکام اور کارپوریٹ معاشرتی ذمہ داری سے متعلق رپورٹ کورپورٹ ہذا کے ساتھ منسلک کر دیا گیا ہے۔

رسک مینجمنٹ اور حکمت عملی

کمپنی کی رسک مینجمنٹ حکمت عملی کی توجہ مکمل طور پر مالیاتی مارکیٹ کی بے یقینی اور اتار چڑھاؤ کی کیفیت پر مرکوز ہے اور اس حکمت عملی کا مقصد نظر یہی ہے کہ کمپنی کے کاروباری افعال سے پیدا ہونے والے نتائج سے منسلک رسک کو کم از کم سطح پر لایا جائے۔ کمپنی کی رسک مینجمنٹ پالیسی بنانے کا مقصد یہ ہے کہ کمپنی کو لاحق رسک کی نشاندہی کی جائے، ایسے رسک کا تجزیہ کیا جائے، رسک پر قابو پانے کیلئے مناسب تحدیدی اقدامات اٹھائے جائیں اور ان اقدامات پر مسلسل نظر رکھی جائے تاکہ ان کے مثبت اثرات مرتب ہوں۔ کمپنی رسک مینجمنٹ کے دائرہ کار کو مکمل طور پر مضبوط و مربوط بنانا اور اس پر کڑی نظر رکھنا مجموعی طور پر بورڈ آف ڈائریکٹرز کی ذمہ داری ہے۔ بورڈ اس بات کا بھی ذمہ دار ہے کہ کمپنی کی جانب سے رسک مینجمنٹ کی پالیسیوں کو مرتب کرے اور ان کی کڑی نگرانی کرے۔ کمپنی کے کاروباری افعال اور مارکیٹ میں آنے والی تبدیلیوں کے پیش نظر کمپنی کی رسک مینجمنٹ سے متعلق پالیسیوں اور نظام کی مستقل بنیادوں پر اصلاح کی جاتی ہے۔

کمپنی کی جانب سے درج ذیل امور کو رسک کے سلسلے میں اہم گردانہ جاتا ہے:

کاروباری افعال سے متعلق رسک

کاروباری افعال کا رسک افعال کو متاثر کرنے سے متعلق ہے، خام مال کی ترسیل میں تعطل، توانائی کی ترسیل میں تعطل، افرادی قوت کی تسلیں میں رخنہ اور بالخصوص مہارت کے حامل انسانی وسائل کی کمی سے یہ رسک پیدا ہوتا ہے۔ کاروباری افعال سے متعلق رسک کو کم از کم سطح پر رکھنے کیلئے ضروری حکمت عملی مرتب کی گئی اور اس ضمن میں مستقل بنیادوں پر خاطر خواہ سرمایہ کاری بھی کی جاتی رہی ہے تاکہ پلانٹس کو بلا تعطل چلانے میں کسی قسم کی کوئی رکاوٹ پیدا نہ ہو۔ کمپنی ضرورت کے تحت گاہے بگاہے مرمت اور دیکھ بھال کے کام کرواتی رہتی ہے۔

مارکیٹ رسک

کمپنی کو خام مال کی قیمت سے متعلق کسی خاطر خواہ رسک کا سامنا نہیں ہے کیونکہ خام مال یعنی گنے کی قیمت بذات خود حکومت کی جانب سے ہی متعین کر دی جاتی ہے۔ البتہ خام مال کی بھاری قیمت کے اثرات سے نمٹنے کیلئے مناسب حکمت عملی کی منصوبہ بندی کرنے کے بعد ان پر عمل بھی شروع کر دیا گیا ہے۔

غیر ملکی زرمبادلہ کا رسک

زیر نظر مالی سال کے اختتام پر کمپنی کو غیر ملکی زرمبادلہ کے رسک سے کوئی براہ راست واسطہ نہیں پڑا اور نہ ہی دوران سال کمپنی کو اس قسم کے کسی رسک کا براہ راست سامنا رہا۔

قرضوں کا رسک

قرضوں سے متعلق رسک سے مراد وہ رسک ہے کہ کمپنی معاملات کرنے والی پارٹیوں کے ساتھ شرائط و ضوابط کے تحت قرضوں کے معاملات نمٹانے میں کامیاب نہ ہو پائے۔ فروختگی سے متعلق وصولیوں کے حصول سے متعلق رسک کو کم از کم کرنے کی غرض سے انتظامیہ کی جانب سے قرضوں کا جائزہ لیا جاتا ہے جس میں خریدار کی مالی حیثیت، ماضی کے تجربات اور دیگر عناصر کو ملحوظ خاطر رکھا جاتا ہے۔ فروختگی کی وصولیوں سے متعلق رسک کو کم از کم سطح پر رکھنے کی غرض سے انتظامیہ کی جانب سے قرض پر مال فروخت کرنے کیلئے انفرادی خریداروں کیلئے ایک حد مقرر کی گئی ہے اور اس قسم کے رسک سے نمٹنے کیلئے پیشگی رقوم حاصل کی جاتی ہیں یا پھر لیٹر آف کریڈٹ کے ذریعے مال فروخت کیا جاتا ہے یا پھر ناقابل وصول قرضوں کیلئے ایک معقول پروویژن بنایا جاتا ہے۔ جہاں ضرورت محسوس کی جائے مخصوص پارٹیوں سے پیشگی رقوم حاصل کر لی جاتی ہیں یا پھر ضامن پارٹیوں سے پیشگی رقوم حاصل کی جاتی ہیں۔ کمپنی کے اندازوں کے مطابق کمپنی فی الوقت کمپنی کو بڑے پیمانے پر جمع شدہ قرضوں کے رسک کا کافی سامنا نہیں ہے۔

مفادات کا ٹکراؤ

کمپنی میں مفادات کے ٹکراؤ پر مبنی تنازعات اور ممکنہ تنازعات سے نمٹنے کیلئے ایک حقیقی اور جامع پالیسی موجود ہے، نیز اس قسم کے اقدامات کئے جاتے ہیں کہ تنازعات کو پیدا ہونے سے روکا جاسکے، ممکنہ تنازعات کی نشاندہی کی جاسکے اور ان کی وجوہات کو تعین کیا جائے۔ کوئی بھی ملازم (بلا واسطہ یا بالواسطہ) منظوری کے بغیر کسی تھرڈ پارٹی کیلئے اپنی خدمات فراہم نہیں کر سکتا۔ ملازمین پر لازم ہے کہ ایسے تمام حالات سے کمپنی کو آگاہ کرے جن کی بنیاد پر کمپنی کے ساتھ مفادات کا ٹکراؤ ہو یا پیدا ہو سکتا ہو اور اس سلسلے میں مشورہ یا رولنگ حاصل کرے۔ کمپنی کی یہ پالیسی ہے کہ فیصلے اس انداز سے کئے جائیں اور ہوتے ہوئے نظر بھی آئیں کہ ان میں معقولیت کا عنصر واضح ہو اور ان میں کسی قسم کا تعصب ناپایا جاتا ہو۔ کمپنی کی جانب سے تنازعات کی مانیٹرنگ کیلئے ایک باقاعدہ نظام نافذ العمل ہے۔

تمام ڈائریکٹروں پر لازم ہے کہ بورڈ کو لین دین کے اہم معاملات سے آگاہ رکھیں جن کی وجہ سے مفادات کا ٹکراؤ ہو سکتا ہو تا کہ اس سلسلے میں بورڈ کی منظوری حاصل کی جاسکے۔ مفادات کے حامل ڈائریکٹر ڈائریکٹر اس قسم کے بحث و مباحث میں حصہ نہیں لیتے نہ وہ اس سلسلے میں ووٹ دیتے ہیں۔ متعلقہ پارٹیوں کے ساتھ اس قسم کی لین دین کیلئے شفافیت کو ممکن بنانے کیلئے ہر ممکن اقدامات اٹھائے جاتے ہیں اور بورڈ سے منظوری حاصل کرنے کیلئے بورڈ کے سامنے مکمل تفصیلات رکھی جاتی ہیں۔ علاوہ ازیں متعلقہ پارٹیوں کے ساتھ لین دین کے تمام معاملات کی تفصیلات کو مالیاتی دستاویزات کے متعلقہ نوٹس میں بھی درج کر دیا جاتا ہے۔

ماحولیات پر کمپنی کے کاروبار کا اثر

کمپنی کی یہ ذمہ داری ہے کہ ماحول کو صحت افزاء اور صاف رکھے۔ لہذا کمپنی کی جانب سے ہر ممکن کوشش کی گئی ہے کہ ماحول کو صاف ستھرا رکھا جائے اور اس سلسلے میں اس قسم کی آلات نصب کئے گئے ہیں جن کی بدولت آلودگی کو کم کرنے میں مدد ملتی ہے تاکہ کمپنی کے کاروباری افعال سے ماحولیات متاثر نہ ہو۔ کمپنی کی جانب سے کلیکشن یونٹس کا قیام عمل میں لایا گیا جو خارج شدہ پانی سے تیل یا گریس کو علیحدہ کرنے کا کام کرتے ہیں اور چمینیوں پر رکھ کر جمع کرنے اے ایسے آلات نصب کئے گئے ہیں جن کی وجہ سے فضا کی آلودگی کا باعث نہیں بنتی۔ نیز فضلے کیلئے ایک ٹریٹمنٹ پلانٹ اور ماحولیاتی آلودگی کو کم کرنے کیلئے دیگر پروگرام بھی زیر غور ہیں جنہیں جلد حتمی شکل دی جا چکی ہے اور ان کی آزمائش بھی شروع کی جا چکی ہے۔

مزید برآں، آپ کو مطلع کیا جاتا ہے کمپنی کی جانب سے انوائزر منٹل مینجمنٹ پلان کو حتمی شکل دی جا چکی ہے اور اس سلسلے میں تمام ماحولیاتی جانچ پڑتال بھی کی جا چکی ہے۔ اب انتہائی ٹھوس اقدامات اٹھائے جا رہے ہیں کہ پانی کے مصارف میں خاطر خواہ کمی لائی جائے جس کیلئے درج ذیل اقدامات قابل ذکر ہیں؛

- ☆ مل ہاؤس میں ایمپیشن وائرٹیمپرچر کو 40 سینٹی گریڈ سے 55 سینٹی گریڈ تک بڑھانا اور اس سلسلے میں خام پانی کی کنڈنسیٹ پانی کو زیر استعمال لانا۔
- ☆ ورٹیکل کرسٹلائزر کیلئے کولنگ ٹاور کی ری ایکٹیویشن کرنا تاکہ کرسٹلائزر کو لنگ کیلئے پانی کی ری سائیکلنگ کی جاسکے۔ تازہ پانی کے استعمال کو کم از کم کیا جاسکے اور تازہ پانی کو صرف اس وقت زیر استعمال لایا جائے جب بخارات بن جانے کی وجہ سے پانی ضائع ہو جائے۔
- ☆ خام پانی کی جگہ پروسس کیمیکلز کو کنڈنسیٹ پانی میں تیار کیا جاتا ہے۔ ہم کوشش کر رہے ہیں کہ پانی کے استعمال کو کم از کم کیا جائے، ری سائیکل کیا جائے یا پانی کے دوبارہ استعمال کو ممکن بنایا جائے۔

سرمایہ کاروں کی شکایات اور مسائل

سرمایہ کاروں یا ممکنہ سرمایہ کاروں کو یہ مکمل سہولت فراہم کی جاتی ہے کہ وہ کمپنی کے کاروباری افعال سے متعلق معلومات اور اپنے حصص کے معاملات سے متعلق معاملات تک رسائی حاصل کر سکیں۔ اگر کسی بھی شخص کو معلومات درکار ہوں تو انہیں اس کا فوراً جواب مہیا کیا جاتا ہے اور شکایات کرنے کی صورت میں مروجہ قواعد کی روشنی میں فوری طور انکی شکایات کا ازالہ بھی کیا جاتا ہے۔

چیف ایگزیکٹو، ڈائریکٹروں اور ایگزیکٹو کے مشاہرے

بورڈ ممبران کی منظوری بذات خود بورڈ سے ہی لی جاتی ہے۔ تاہم کوڈ آف کارپوریٹ گورننس کے مطابق، اس بات کو یقینی بنایا جاتا ہے کہ کوئی بھی ڈائریکٹر اپنے مشاہرے کے تعین میں مشاورت کا حصہ نہ ہو۔ زیر نظر مالی سال کے دوران کمپنی کے چیف ایگزیکٹو، ڈائریکٹروں اور ایگزیکٹو کے مشاہرے بشمول تمام سہولیات کے ضمن میں اوسطاً درج ذیل رقوم کو مالیاتی دستاویز کے نوٹ نمبر 38 میں درج کیا جا چکا ہے۔ ڈائریکٹروں کے مشاہرے اور اجلاسوں میں شرکت کی فیس سے متعلق پالیسی بھی رپورٹ ہذا کے ساتھ منسلک ہے۔

لین دین کے دیگر معاملات

کمپنی نے معمول کے کاروباری معاملات کے تحت اہم انتظامی اشخاص اور متعلقہ پارٹیوں سے لین دین کے درج ذیل معاملات کئے ہیں۔ ذیل میں پیش کئے جانے والے معاملات معاشی اہمیت کے حامل ہیں اور ان معاملات کو معمول کے کاروباری معاملات کے تحت کیا گیا جنہیں مالیاتی دستاویز کے نوٹ نمبر 39 میں درج کیا جا چکا ہے۔

اہم انتظامی شخصیات میں وہ افراد شامل ہیں جو کمپنی میں براہ راست یا بالواسطہ منصوبہ بندی کرنے، ہدایات دینے اور معاملات پر گرفت رکھنے کے عمل میں شریک ہیں۔

متعلقہ پارٹیوں جن کے ساتھ کمپنی کی جانب سے لین دین کے معاملات کئے گئے یا ان سے معاہدات کئے گئے یا جن کے ساتھ دوران سال کسی بھی قسم کا کوئی بندوبست کیا گیا ان کے نام بمعہ تعلق کی بنیاد کو بھی مالیاتی دستاویز کے متعلقہ نوٹس میں درج کیا جا چکا ہے۔ کمپنی کے ساتھ متعلقہ پارٹیوں کے لین دین کے معاملات معمول کی کاروباری روایات کے تحت شفافیت کے ساتھ کئے گئے۔

معاملات کی اہمیت کا تعین

معاملات کی اہمیت کا تعین ایک غیر معروضی عمل ہے اور اس سلسلے میں ایک سے دوسرے ادارے کے مابین تفاوت پایا جاتا ہے۔ معاملات طے کرنے کی مجازیت اور انتقال اختیار کی واضح طور پر تعریف کر دی گئی ہے اور ان معاملات کیلئے کمپنی میں ایک واضح اور جامع نظام موجود ہے۔ کمپنی میں معاملات کی اہمیت کے تعین کیلئے ہر سال نظر ثانی کرنے کے بعد اس کی معقولیت کا تعین معروضی حالات کے تحت کیا جاتا ہے۔

انسانی وسائل کے بندوبست اور جانشینی سے متعلق منصوبہ بندی

انسانی وسائل کی منصوبہ بندی اور بندوبست کمپنی کی سیریز مینجمنٹ کے نزدیک انتہائی اہمیت کی حامل ہے۔ بورڈ کی جانب سے ایک کمیٹی تشکیل دی گئی ہے جس کے ذمے اہم انتظامی عہدوں کیلئے افراد کی تعیناتی، جانچ، مشاہرے کا تعین اور جانشینی منصوبہ بندی ہے۔ یہ کمیٹی انسانی وسائل سے متعلق پالیسیوں اور طریق کار میں اصلاحات سے متعلق سفارشات پیش کرنے اور وقتاً فوقتاً جائزہ رپورٹ پیش کرنے کی بھی ذمہ دار ہے۔

کمپنی ایک بہتر تنظیمی کلچر پر یقین رکھتی ہے جہاں تمام ملازمین با اختیار ہوں اور کمپنی کے وژن اور اس کی اقدار سے گہرا لگاؤ رکھتے ہوں۔ انسانی وسائل کے بندوبست سے متعلق حکمت عملی کمپنی کی کاروباری حکمت عملی کا جزو لا ینفک ہے۔ کمپنی میں ایک ایسا کلچر موجود ہے جہاں لیڈرشپ کو پروان چڑھنے، خود احتسابی کی سوچ پیدا کرنے اور اجتماعی کوششیں کرنے کا جذبہ پیدا ہوتا ہے۔

کمپنی جانشینی کے ضمن میں ایک قدم آگے بڑھ کر اقدامات کرنے پر یقین رکھتی ہے۔ کمپنی ملازمین کو اس نیت سے منتخب کرتی ہے کہ ان کی تربیت کی جائے، انکی مہارتوں میں اضافہ کیا جائے، آگے بڑھنے کیلئے ان میں قابلیت پیدا کی جائے اور انہیں پہلے سے زیادہ بڑے چیلنج والی ذمہ داریاں سونپی جائیں۔ جانشینی کی پالیسی اس بات کو یقینی بناتی ہے کہ ملازمین مسلسل اپنی صلاحیتوں میں اضافہ کرتے رہیں اور ضرورت پڑنے پر ہمہ وقت ہر مشکل کردار ادا کرنے کیلئے تیار رہیں۔ کمپنی ایسے افراد کی ہمہ وقت تلاش میں رہتی ہے جو خود کو مہارت سازی کے عمل میں پیش پیش رکھتے ہیں تاکہ انہیں مستقبل میں زیادہ اہم ذمہ داریاں سونپی جاسکیں۔

ڈائریکٹروں کی تربیت

کمپنی کے ایک ڈائریکٹر مطلوبہ اہلیت کے حامل ہیں اس لئے وہ کارپوریٹ گورننس کے ضوابط کے تحت تربیتی پروگرام میں شرکت سے مستثنیٰ ہیں۔ جہاں دیگر ڈائریکٹروں کا تعلق ہے وہ کارپوریٹ گورننس کے ضوابط کے تحت تمام ڈائریکٹرز ماسوائے محترمہ نازیہ اعظم ڈائریکٹر ٹریڈنگ پروگرامز کے تحت اپنے تربیتی پروگرام کی تکمیل پہلے ہی کر چکے ہیں۔ محترمہ نازیہ اعظم حال ہی میں تعینات کی جانے والی خاتون ڈائریکٹر ہیں، آپ قواعد میں مذکور وقت کے اندر اندر ڈائریکٹر ٹریڈنگ پروگرام کے تحت پانی تربیت مکمل کر لیں گی۔

چیف ایگزیکٹو کی جانب سے کارکردگی کا جائزہ

ہر سال بورڈ کی جانب سے اہداف اور حکمت عملیوں کی ایک فہرست تیار کی جاتی ہے جسے کمپنی کے مشن کے عین مطابق مرتب کیا جاتا ہے۔ اس فہرست کے مرتب کئے جانے سے یہ جانچنا آسان ہو جاتا ہے کہ کمپنی کے تمام مقاصد فرداً فرداً کس طرح کمپنی کی نشوونما میں اپنا کردار ادا کر رہے ہیں۔ جن عناصر کی جانچ بہت ضروری ہے ان میں مشن سے وابستگی، قیل المیعاد و طویل المیعاد مقاصد، طویل المدتی تناظر میں منفعت کو یقینی بنانا، گورننس کے اعلیٰ معیاروں کی پاسداری کرنا اور قواعد کے مطابق رپورٹنگ کرنا شامل ہیں۔

چیرمین اور چیف ایگزیکٹو آفیسر کا کردار

بورڈ اور حصص داران کے ایماء پر چیرمین کمپنی کے نگران کی حیثیت کے حامل ہوتے ہیں۔ آپ ہی بورڈ آف ڈائریکٹرز کی سربراہی کرتے ہیں اور بورڈ کی جانب سے مؤثر کارکردگی کیے ضامن بھی آپ ہی ہوتے ہیں۔ چیرمین پر یہ ذمہ داری عائد ہوتی ہے کہ اس بات کو یقینی بنائیں کہ کاروبار ترقی کرے، کاروبار کو تحفظ فراہم کیا جائے اور کمپنی کی سادھ اپنی جگہ برقرار رہے۔

معتول اندرونی مالیاتی کنٹرول

ڈائریکٹروں کی جانب سے اس بات کی تصدیق کی جاتی ہے کہ بورڈ آف ڈائریکٹرز کی جانب سے کارپوریٹ گورننس کے ضوابط اور مالیاتی کنٹرول سے متعلق جامع پالیسیوں اور طریق کار کو مد رکھتے ہوئے اندرونی مالیاتی کنٹرول سے متعلق اعلیٰ ترین معیارات کی منظوری دی جا چکی ہے اور اس وقت کمپنی میں اندرونی مالیاتی کنٹرول کا ایک جامع اور مؤثر نظام نافذ العمل ہے۔ بورڈ کی جانب سے اندرونی کنٹرول کا ایک نظام قائم کیا گیا ہے اور ایسی پالیسیاں مرتب کی گئی ہیں جن کی بنیاد پر کاروباری افعام کو مؤثر انداز سے چلانے، کمپنی کے اثاثوں کی حفاظت کرنے، دھوکہ دہی اور غلطیوں کی نشاندہی اور ان سے بچنے، محاسبی کے ریکارڈ کی تکمیل اور صحت کا مکن بنانے اور مالیاتی معلومات کی بروقت تیاری اور فراہمی کو ممکن بنایا جاسکے۔

ایگزیکٹو کے تعین کا معیار

لسنگ ریگولیشنز (رول بک) آف پاکستان اسٹاک ایکسچینج کی شق 5.6.4 کے تحت کمپنی کی جانب سے ایگزیکٹو کے تعین کیلئے نظر ثانی کے بعد ایک معیار مقرر کر دیا گیا ہے تاکہ حصص کی خرید و فروخت سے متعلق کسی بھی ابہام کو رفع کیا جاسکے۔ ہر وہ شخص جس کی سالانہ بنیادی تنخواہ دوران سال 2.3 ملین سے تجاوز کر جائے اس کو ایگزیکٹو مانا جائے گا۔

متعلقہ پارٹیوں سے لین دین

متعلقہ پارٹیوں سے لین دین کے معاملے میں درج ذیل معاملات کو بورڈ کی آڈٹ کمیٹی کے سامنے منظوری کیلئے پیش کیا گیا اور بورڈ سے باقاعدہ ان کی منظوری حاصل کی گئی۔ لین دین کے یہ معاملات انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز (آئی ایف آر ایس) اور کمپنیز ایکٹ 2017 کے قواعد کے عین مطابق ہیں۔ کمپنی کی جانب سے اس قسم کے تمام معاملات کا باقاعدہ ریکارڈ رکھا جاتا ہے۔

انفارمیشن ٹیکنالوجی کمیٹی کے ممبران کی اجلاسوں میں شرکت

انفارمیشن ٹیکنالوجی کمیٹی کے دوران سال دو اجلاس منعقد کئے گئے۔ ان اجلاسوں میں متعلقہ ممبران کی حاضری سے متعلق تفصیلات درج ذیل ہیں:

نمبر شمار	ممبران کے نام	عہدہ	اجلاسوں میں حاضری
1	جناب غلام حیدر	چیرمین	2
2	سید ریحان احمد ہاشمی	ممبر	2
3	جناب شیراز خان	ممبر	2

کمیٹی برائے کارپوریٹ معاشرتی ذمہ داری کے اجلاسوں میں ممبران کی شرکت

زیر نظر مالی سال کے دوران کارپوریٹ معاشرتی ذمہ داری کمیٹی کے چار اجلاس منعقد کئے گئے۔ کمیٹی کے تمام ممبران کی حاضری کی تفصیلات درج ذیل ہیں:

نمبر شمار	ممبران کے نام	عہدہ	اجلاسوں میں حاضری
1	جناب رحیم بخش	چیرمین	4
2	جناب محمد اسلم	ممبر	4
3	جناب شاہد عزیز	ممبر	4
4	سید ریحان احمد ہاشمی	ممبر	4

کمیٹی برائے رسک مینجمنٹ کے اجلاسوں میں ممبران کی شرکت

زیر نظر مالی سال کے دوران رسک مینجمنٹ کمیٹی کے دو اجلاس منعقد کئے گئے۔ کمیٹی کے تمام ممبران کی حاضری کی تفصیلات درج ذیل ہیں:

نمبر شمار	ممبران کے نام	عہدہ	اجلاسوں میں حاضری
1	جناب محمد اسلم	چیرمین	2
2	جناب غلام حیدر	ممبر	2
3	جناب شاہد عزیز	ممبر	2

بورڈ کی کارکردگی کی جانچ

کارپوریٹ گورننس کے ضوابط کے تحت بورڈ کی منظوری سے ایک خود احتسابی کا نظام عمل میں لایا گیا ہے تاکہ بورڈ اپنی کارکردگی کا جائزہ لے سکے۔ اس نظام کے تحت بورڈ، اس کے ڈائریکٹروں اور بورڈ کی کمیٹیوں کا بذریعہ مباحث، اور سوالات جائزہ لیا جانا مقصود ہے، ان مباحث اور سوالات کی توجہ بنیادی طور پر بورڈ کے دائرہ کار، مقاصد، افعال، ذمہ داریوں، کمپنی کی کارکردگی اور مانیٹرنگ کے نظام کی جانب ہوگی۔ جانچ کے اس نظام کا مقصد مجموعی کارپوریٹ مقاصد، کمپنی کے گورننس اسٹرکچر، قوانین اور ضوابط بابت پاسداری، کارکردگی، تعاون اور قدر میں اضافے جیسے امور کو مد نظر رکھتے ہوئے بورڈ کی کارکردگی کا جانچا جائے۔ بورڈ کے تمام ممبران کی جانب سے جانچ کے اس عمل میں حصہ لیا گیا اور ان سب نے اپنی اپنی رائے کا اظہار بھی کیا۔

بورڈ کے اجلاسوں میں بورڈ آف ڈائریکٹرز کی حاضری

بورڈ کے اجلاسوں میں ڈائریکٹرز کی حاضری

زیر نظر مالی سال کے دوران بورڈ کے سات (7) اجلاس منعقد کئے گئے۔ ان اجلاسوں میں شرکت نہ کرنے والے ڈائریکٹروں رخصت دے دی گئی تھی۔ تمام ڈائریکٹروں کی فرداً فرداً حاضری ذیل میں پیش کی جا رہی ہے:

نمبر شمار	ڈائریکٹر کے نام	عہدہ	اجلاسوں میں حاضری
1	جناب گل محمد	چئیر مین	7
2	جناب غلام حیدر	چیف ایگزیکٹو	7
(انہیں کم جون 2020 سے چیف ایگزیکٹو تعینات کیا گیا)			
3	حاجی خدا بخش راجڑ	ڈائریکٹر	6
(آپ بطور چیف ایگزیکٹو 31 مئی 2020 سے مستعفی ہو چکے ہیں)			
4	جناب محمد اسلم	ڈائریکٹر	7
5	جناب رحیم بخش	ڈائریکٹر	7
6	جناب قاضی شمس الدین	ڈائریکٹر	6
7	جناب شاہد عزیز	ڈائریکٹر (این آئی ٹی)	7

آڈٹ کمیٹی کے ممبران کی اجلاسوں میں حاضری

دوران سال آڈٹ کمیٹی کے چھ اجلاس منعقد کئے گئے۔ تمام ڈائریکٹرز کی فرداً فرداً حاضری درج ذیل ہے:

نمبر شمار	ممبران کے نام	عہدہ	اجلاسوں میں حاضری
1	جناب رحیم بخش	چئیر مین	6
2	جناب شاہد عزیز	ممبر	6
3	جناب محمد اسلم	ممبر	6

انسانی وسائل و ادائیگیوں سے متعلق کمیٹی کے ممبران کی اجلاسوں میں شرکت

انسانی وسائل و ادائیگیوں سے متعلق کمیٹی کی زیر نظر سال کے دوران تین اجلاس منعقد کئے گئے۔ ان اجلاسوں میں متعلقہ ڈائریکٹروں کی حاضری

سے متعلق معلومات درج ذیل ہیں:

نمبر شمار	ممبران کے نام	عہدہ	اجلاسوں میں حاضری
1	جناب رحیم بخش	چئیر مین	3
2	جناب محمد اسلم	ممبر	3
3	جناب شاہد عزیز	ممبر	3

بورڈ کی کمیٹیاں

بورڈ کی جانب سے مندرجہ ذیل ممبران پر درج ذیل کمیٹیاں بنائیں گئی ہیں:

(الف) آڈٹ کمیٹی

نام	عہدہ
جناب رحیم بخش	چیرمین
جناب غلام دستگیر راجڑ	ممبر
جناب ایم عبدالجبار	ممبر

(ب) کمیٹی برائے انسانی وسائل و ادائیگیاں

نام	عہدہ
جناب رحیم بخش	چیرمین
جناب غلام حیدر	ممبر
جناب ایم عبدالجبار	ممبر

(ج) کمیٹی برائے رسک مینجمنٹ

نام	عہدہ
جناب محمد اسلم	چیرمین
جناب حاجی خدا بخش راجڑ	ممبر
جناب قاضی شمس الدین	ممبر

(د) کمیٹی برائے کارپوریٹ معاشرتی ذمہ داری

نام	عہدہ
جناب محمد اسلم	چیرمین
جناب قاضی شمس الدین	ممبر
محترمہ نازیہ اعظم	ممبر
سید ریحان احمد ہاشمی	ممبر

(ه) کمیٹی برائے انفارمیشن ٹیکنالوجی و اسٹیرنگ

نام	عہدہ
جناب غلام حیدر	چیرمین
سید ریحان احمد ہاشمی	ممبر
جناب شیراز خان	ممبر

کارپوریٹ گورننس اور کارپوریٹ گورننس کے سنہرے اصولوں کی پاسداری

اعلیٰ اخلاقی اقدار کی پاسداری کمپنی کی طویل تاریخ کا حصہ ہے اور مستقبل میں بھی ان سنہرے اصولوں پر عمل پیرا رہنے کیلئے کمپنی پر عزم ہے۔ بورڈ کی جانب سے مستقل بنیادوں پر اس سلسلے میں رہنمائی فراہم کی جاتی ہے کہ موجودہ نظام میں سقم تلاش کئے جائیں اور بورڈ پر ہی اس بات کی بنیادی ذمہ داری عائد ہوتی ہے کہ کمپنی کی مناسب سمت میں رہنمائی کرے اور اس کی سرگرمیوں کی کڑی نگرانی کرے۔ ان ذمہ داریوں میں کمپنی کے رسک کی نشاندہی کرنا اور انہیں قابو میں رکھنا، مینجمنٹ انفارمیشن سسٹم کو مربوط بنانا اور حصص داران تک صحیح اور درست معلومات کی فراہمی کو ممکن بنانا شامل ہیں۔

کمپنی کا کارپوریٹ گورننس اسٹرکچر آرٹیکلز آف ایسوسی ایشن کی بنیاد پر استوار ہے۔ اس کے علاوہ اس اسٹرکچر کو استوار کرنے میں دیگر قواعد و ضوابط کا لحاظ بھی رکھا گیا ہے جن کا اطلاق پاکستان اسٹاک ایکسچینج میں لسٹڈ کمپنیوں پر ہوتا ہے۔ اس نظام کو مزید مربوط بنانے کیلئے اندرونی نظام کا سہارا بھی لیا جاتا ہے جس میں رسک کی جانچ اور کنٹرول کا نظام، مروجہ قوانین کی پاسداری سے متعلق جانچ کا نظام اور کمپنی کا ضابطہ اخلاق شامل ہیں۔

ڈائریکٹروں کی تعداد

ڈائریکٹروں کی کل تعداد آٹھ (8) ہے جن کی تفصیلات درج ذیل ہیں:

(الف) حضرات: سات (7)

(ب) خاتون: ایک (1)

بورڈ کا امتزاج

بورڈ کا امتزاج درج ذیل ہے:

غیر جانبدار ڈائریکٹر

حضرات:

جناب رحیم بخش

جناب ایم عبدالجبار

خاتون:

محترمہ نازیہ اعظم

دیگر غیر انتظامی ڈائریکٹر

جناب غلام دنگیر راجڑ

جناب محمد اسلم

جناب قاضی شمس الدین

انتظامی ڈائریکٹر

حاجی خدا بخش راجڑ

جناب غلام حیدر

- ☆ کمپنی کی جانب سے متعلقہ ریکارڈ کو باقاعدہ قواعد کے مطابق کھاتوں میں درج کیا گیا ہے۔
- ☆ تمام ترمالیاتی دستاویزات کی تیاری کے سلسلے میں مناسب محاسبی پالیسیوں پر عمل کیا گیا ہے، نیز تمام ترمالیاتی تخمینے معقول اور قرین قیاس ہیں۔
- ☆ مالیاتی دستاویزات کی تیاری کے سلسلے میں پاکستان میں مستعمل بین الاقوامی محاسبی معیارات کی مکمل پاسداری کی گئی ہے اور اس سلسلے میں کسی قسم کی کوئی روگردانی نہیں کی گئی۔
- ☆ اندرونی طور پر کنٹرول کا نظام انتہائی منظم اور جامع ہے اور اسے مؤثر انداز سے نافذ کیا گیا ہے اور اس پر مکمل نظر رکھی جاتی ہے۔
- ☆ ایسی کوئی وجہ نظر نہیں آتی جس کی بنیاد پر کمپنی کو ختم کرنے سے متعلق کوئی سوال پیدا ہوتا ہو کہ کمپنی اپنا وجود برقرار رکھ پائے۔
- ☆ اشاک اسٹیجس کے لسٹنگ قواعد میں مذکور کارپوریٹ گورننس کی بہترین پالیسیوں سے کوئی ایسا انحراف نہیں کیا گیا جو کہ قابل غور ہو۔
- ☆ کمپنی کے مالیاتی نتائج سے متعلق گزشتہ دس سال کی اہم معلومات کا خلاصہ رپورٹ ہذا کے ساتھ منسلک ہے۔
- ☆ قانوناً کمپنی کو کوئی قابل ذکر ادائیگیاں نہیں کرنا پڑیں ماسوائے ان ادائیگیوں کے جو کہ کاروبار میں معمول کا حصہ ہیں جیسا کہ ٹیکس، لیویز اور دیگر چارجز وغیرہ جن کا ذکر مالیاتی دستاویزات کے اندر متعلقہ نوٹس میں کیا جا چکا ہے۔
- ☆ تمام مستقل اور اہلیت کے حامل ملازمین کیلئے کمپنی میں ایک غیر فنڈ شدہ گریجویٹ اسکیم جاری ہے اور اس کے علاوہ اہلیت پر پورے اترنے والے ملازمین کیلئے لیواکشیٹ اسکیم بھی موجود ہے جس کی ادائیگی ملازمین کو کمپنی سے ریٹائرمنٹ کے وقت کی جاتی ہے۔ تخمینے کی بنیاد پر ہر سال ذمہ داریوں سے نبرد آزما ہونے کی غرض سے پروویژن فراہم کیا جاتا ہے جس سے متعلق تمام تر معلومات کو رپورٹ ہذا کے نوٹس میں بیان کیا جا چکا ہے۔
- ☆ کمپنی کی بابت ترتیب حصص داری کی جدول کو بھی سالانہ رپورٹ کا حصہ بنایا گیا ہے۔
- ☆ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے مطابق تمام کمپنیوں نے اس بات کو یقینی بنانا ہے کہ بورڈ میں شامل تمام ڈائریکٹر ڈائریکٹر ٹریننگ پروگرام کے تحت سرٹیفیکیشن حاصل کر چکے ہوں۔ تمام ڈائریکٹر (ماسوائے حاجی خدابخش راجڑ اور محترمہ نازیہ اعظم) سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے متعین کردہ انسٹیٹیوٹس / اداروں سے ڈائریکٹر ٹریننگ پروگرامز کے تحت اپنی تربیت مکمل کر چکے ہیں۔ حاجی خدابخش راجڑ اپنی تعلیم اور تجربے کی بنیاد پر قواعد کے مطابق اس تربیت سے مستثنیٰ ہیں اور محترمہ نازیہ اعظم ضوابط کے اندر اندر طے شدہ عرصے میں ڈائریکٹر ٹریننگ پروگرام میں شمولیت اختیار کر کے اپنا تربیتی پروگرام مکمل کر لیں گی۔
- ☆ بورڈ کی جانب سے ہمہ وقت یہ کوششیں جاری رہتی ہیں کہ بورڈ اپنی اور اپنی کمیٹیوں کی کارکردگی میں بہتری پیدا کرے۔ بورڈ کی جانب سے کوڈ آف کارپوریٹ گورننس کے قواعد کے مطابق ایک ایسا نظام مرتب کیا گیا ہے جس کے تحت بورڈ اور اس کی کمیٹیوں کی کارکردگی کا سالانہ بنیادوں پر جائزہ لیا جاتا ہے۔ اس کے علاوہ کارپوریٹ گورننس کے میدان میں ہونے والی نئی تحقیق سے بھی بورڈ خود کو آگاہ رکھتا ہے تاکہ کمپنی بہترین روایات کی پاسداری کرتی رہے۔
- ☆ ہمارے بہترین علم کے مطابق کمپنی کے ڈائریکٹروں، چیف ایگزیکٹو اور ان کے ازواج اور نابالغ بچوں کی جانب سے دوران سال کمپنی کے حصص میں کسی قسم کی کوئی اور لین دین نہیں کی گئی۔
- ☆ کارپوریٹ گورننس کے سنہرے اصولوں کی پاسداری برائے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 سے متعلق ایک بیان بھی رپورٹ ہذا کے ساتھ منسلک ہے۔

مالیاتی نتائج

کمپنی کے اہم ترین مالیاتی نتائج بابت مالی سال 30 ستمبر 2020 کا خلاصہ بمعہ تقابلی جائزہ بابت گزشتہ مالی سال ذیل میں پیش کیا جا رہا ہے:

2019	2020	
..... روپے ہزاروں میں		
(148,608)	(98,846)	نقصان قبل از ٹیکس
(49,753)	19,909	ٹیکس
(98,855)	(118,755)	نقصان بعد از ٹیکس
(8.28)	(9.94)	نقصان فی حصص بنیادی و تحلیل (روپے میں)

دوران سال COVID-19 کے تحت کمپنی کا نقصان قبل از ٹیکس 98,846 ہزار روپے درج کیا گیا ہے جبکہ گزشتہ مالی سال کے دوران یہ نقصان 148,608 ہزار روپے درج کیا گیا تھا۔ دوران سال ہم گنے کی پروکیورمنٹ کے سلسلے میں قرب و جوار کی ملوں کے مقابلے میں قیمتوں کی نچلی سطح کو قائم رکھنے میں کامیاب رہے، آہستہ آہستہ قلیل المیعاد قرضوں پر انحصار کو کم کیا اور اس طرح شرح سود کو بھی کم از کم سطح پر قائم رکھنے میں کامیابی حاصل ہوئی حالانکہ KIBOR کی شرح کافی بلند تھی، اور افراط زر میں ہوشربا اضافے کے باوجود پیداواری اور انتظامی اخراجات کو قابو میں رکھنے میں بھی کامیابی کے ساتھ حکمت عملی مرتب کی۔ ہماری ان تمام کاوشوں کے باوجود کمپنی کے حتمی نتائج منفی رہے جس کی بنیادی وجہ سیلز ٹیکس کی شرح میں اضافہ تھا جو کہ دوران سال 8% سے بڑھ کر 17% تک جا پہنچا۔ محض سیلز ٹیکس کی مد میں کمپنی کو 151,273 ہزار روپے کے منفی اثرات برداشت کرنا پڑے۔

لہذا ہماری جانب سے ریکوری کی شرح کو بلند ترین سطح پر رکھنے، چینی کی فروخت میں مستعدی سے کام لینے اور اخراجات کو قابو میں رکھنے کیلئے کی جانے والی تمام کوششیں بھی مندرجہ بالا وجوہات کی بنیاد پر کمپنی کے حتمی مالیاتی نتائج کو مثبت رکھنے میں بار آور ثابت نہ ہو سکیں۔

آڈیٹروں کی رپورٹ پر اظہار رائے

کمپنی کے قانونی آڈیٹروں کی جانب سے اپنی رپورٹ میں 2017-18 کے سیزن کیلئے 22 روپے فی من کے پرویشن کی عدم موجودگی سے متعلق تاکید اذکر کیا ہے۔ اس سلسلے میں ہم آپ کے گوش گزار کرنا چاہتے ہیں کہ جیسا کہ اوپر ذکر کیا جا چکا ہے آپ کی مالیاتی دستاویزات کو گنے کی قیمت 160 روپے فی 40 کلوگرام کی بنیاد پر تیار کیا گیا ہے اور ایسا کرنے میں معزز عدالت عالیہ کے عبوری حکم کو مد نظر رکھا گیا ہے جس میں تمام شرائط داروں کی رضامندی شامل تھی۔ ہم امید کرتے ہیں کہ شوگر کی صنعت کے دیگر گروں حالات کو مد نظر رکھتے ہوئے معزز عدالت عالیہ کی جانب سے حتمی فیصلہ کنسنیٹ آرڈر کے مطابق ہی آئے گا۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک سے متعلق بیان

بورڈ آف ڈائریکٹرز اور کمپنی اس بارے میں پر عزم ہیں کہ کارپوریٹ مینجمنٹ کے سنہرے اصولوں کی مکمل پاسداری کی جائے اور شفافیت اور حقیقی معلومات کی فراہمی کو ممکن بنایا جائے۔ بورڈ اور کمپنی اپنی ذمہ داریوں کا بخوبی احساس کرتے ہیں اور ان کی جانب سے کمپنی کے تمام آپریشنز کی نگرانی کی جاتی ہے اور کمپنی کی کارکردگی کو مزید موثر بنانے کیلئے، معاملات کی صحت، جامعیت اور مالیاتی غیر مالیاتی دستاویزات کی تیاری میں شفافیت جیسے امور کی کڑی نگرانی کی جاتی ہے۔

لسٹنگ قواعد کے عین مطابق کمپنی کی جانب سے کوڈ آف کارپوریٹ گورننس کی مکمل پاسداری کرتی ہے۔ اس سلسلے میں درج ذیل اہم بیانات پیش خدمت ہیں:

☆ مینجمنٹ کی جانب سے تیار شدہ مالیاتی دستاویزات کمپنی کے تمام امور، آپریشنز کے نتائج، ترسیل نقد رقوم اور حصص میں رد و بدل سے متعلق معاملات کی صحیح صحیح ترجمانی کرتی ہیں۔

اس بات کو مد نظر رکھتے ہوئے کہ گنے کی قیمت کا تعین حکومت کی جانب سے کیا جاتا ہے اور چینی کی قیمت کا تعلق مارکیٹ کی قوتیں کرتی ہیں، جس میں کہ گراؤٹ کارہجان پایا جاتا ہے، جس کی وجہ سے لاگت اور قیمت فروخت میں فرق پیدا ہو جاتا ہے جس کا لازمی نتیجہ یہ نکلتا ہے کہ چینی کی قیمت میں کمی جانے والی رووبدل اس تناسب سے نہیں ہوتی جس تناسب سے خام کی لاگت اور دیگر پیداواری اخراجات میں فرق پڑتا ہے۔

گزشتہ چند سالوں کے دوران کسانوں اور مل مالکان کے درمیان قیمتوں کے اس فرق پر پیدا ہونے والا تنازعہ پہلے سے زیادہ پیچیدہ صورتحال اختیار کر چکا ہے۔ کسانوں کی جانب سے یہ مطالبہ کیا جاتا ہے کہ گنے کی قیمت میں اضافہ کیا جائے جبکہ شوگر مل مالکان کا شکوہ ہے کہ چینی کی پیداواری لاگت میں اضافہ ہی ہوتا جا رہا ہے اور انھیں حکومت کی جانب سے چینی کی درآمد کا شکوہ بھی رہتا ہے جس کی وجہ سے اوپن مارکیٹ میں چینی کی قیمت پر منفی اثرات مرتب ہوتے ہیں۔

معلومات برائے کمپنی

بنیادی افعال کار

بنیادی طور پر کمپنی چینی اور اس کی ذیلی مصنوعات بنانے اور انھیں فروخت کرنے کے کاروبار سے منسلک ہے، چینی کی ذیلی مصنوعات میں گنے کا پھوک اور راب شامل ہیں۔ کمپنی کی جانب سے گنے کے پھوک کو جلا کر بجلی پیدا کرنے کا ایک پلانٹ بھی نصب کیا گیا ہے تاکہ اس پلانٹ سے بجلی پیدا کرنے کے بعد فاضل بجلی کو قومی گرڈ میں شامل کیا جاسکے۔ مینوفیکچرنگ کی یہ سہولت ساگھر سندھڑی روڈ، دیہہ کہوڑ، ضلع ساگھر صوبہ سندھ میں واقع ہے۔

کاروباری نتائج اور ان کا جائزہ

کمپنی کے اہم مالیاتی نتائج بابت مالی سال اختتامیہ 30 ستمبر 2020 اور ان کا گزشتہ مالی سال سے تقابل ذیل میں پیش کیا جا رہا ہے:

2018 - 2019	2019 - 2020	
21-11-2018	15-11-2019	آغاز برائے سیزن
28-02-2019	02-03-2020	اختتام برائے سیزن
100	109	گنے کی پسائی کا دورانیہ - دنوں میں
490,931.92	387,302.75	گنے کی پسائی کی مقدار - ملین ٹن میں
4,909.32	3,553.24	اوسط یومیہ پسائی (میٹرک ٹن میں)
52,799.25	39,804.25	چینی کی پیداوار - ملین ٹن میں
10.75	10.26	سکروز کی ریکوری - فیصد میں

جیسا کہ پہلے ذکر کیا جا چکا ہے، گنے کی کمی کی وجہ سے آپ کی کمپنی 387,302.875 میٹرک ٹن گنا پس سکی جبکہ گزشتہ مالی سال کے دوران گنے کی پسائی کی مقدار 490,931.929 میٹرک ٹن تھی اور اس طرح پسائی کی مد میں 21.10% کی کمی درج کی گئی ہے، اسی طرح 39,804.25 میٹرک ٹن چینی پیدا کی گئی جو کہ گزشتہ مالی سال کے دوران پیدا کی جانے والی چینی 52,799.25 میٹرک ٹن کے مقابلے میں 24.61% کم رہی۔ پسائی کے سیزن کے دوران گنے کی ترسیل مستقل بنیادوں پر نہ کی جاسکی جس کی وجہ صوبے میں گنے کی پیداوار میں کمی تھی اور اس طرح گنے کی ترسیل میں اضافی اخراجات اٹھانا پڑے، اس کے علاوہ گنے کی ترسیل میں بار بار آنے والی رکاوٹ کی وجہ سے کام بھی کئی مرتبہ روکنا پڑتا تھا جس کے باعث ریکوری کی شرح پر منفی اثرات مرتب ہوئے ہیں۔

ڈائریکٹرز رپورٹ

آپ کی کمپنی کے ڈائریکٹر انتہائی مسرت کے ساتھ کمپنی کی پینتیسویں سالانہ رپورٹ بمعہ آڈٹ شدہ مالیاتی دستاویزات بابت مالی سال 30 ستمبر 2020 آپ کی خدمت میں پیش کر رہے ہیں۔

صنعت کے احوال

صنعتی جائزہ

ہر دو سے پانچ سال کے دوران پاکستان میں گنے کی کاشت میں افراط و تفریط آتی ہے۔ تقریباً ایک ملین ہیکٹر رقبے پر گنے کی کاشت کی گئی تھی جس سے 67.67 ملین میٹرک ٹن گنا کاشت کیا گیا اور گنے سے پیدا کی جانے والی چینی کی مقدار 5.525 ملین میٹرک ٹن رہی۔ مالی سال 2020-21 کے دوران گنے کی کاشت کیلئے لگائے جانے والے اندازوں کے مطابق 1.2 ملین ہیکٹر رقبے پر گنے کی کاشت کی گئی جس سے 72 ملین میٹرک ٹن گنا پیدا کیا جاسکے گا اور اس گنے سے 5.86 ملین میٹرک ٹن چینی پیدا کی جائے گی۔ تین سال تک مسلسل چینی کی پیداوار میں اضافے کے بعد اب اس میں کمی کا رجحان پایا جاتا ہے جس کی بنیادی وجہ یہ ہے کہ بڑے رقبے پر رتون کی کاشت کی جا رہی ہے۔ چینی کی پیداوار کے علاوہ، گنے کو ادویات اور انتھنول بنانے اور کاغذ اور چپ بورڈ بنانے کیلئے گودے کی پیداوار میں بھی استعمال کیا جاتا ہے اور اس سے پریس مڈ بھی بنائی جاتی ہے جو کہ نامیاتی کھاد بنانے کیلئے کام آتی ہے جسے فصلوں کی پیداوار میں استعمال کیا جاتا ہے۔ گنے کی کاشت عموماً پاکستان میں دریاؤں کے اوپر والے علاقوں میں کی جاتی ہے جو سیلاب کی تباہ کاریوں سے محفوظ رہتے ہوں۔

ماہرین کی رائے کے مطابق، پانی کی کمی، اعلیٰ پیداوار کرنے والی اقسام کی کمی اور کھاد اور جراثیم کش ادویات کے استعمال میں غیر متوازن طریق کار دراصل گنے کی پیداوار میں کمی کا باعث بنتے ہیں۔ پاکستان میں بین الاقوامی معیار کی تحقیق و ترقی سے پاکستان کو گنے کی اضافی پیداوار حاصل ہونگے۔ ملک میں اس وقت کئی شوگر ملیں کام کر رہی ہیں جو کہ نہ صرف عوام کو روزگار کے مواقع فراہم کر رہی ہیں بلکہ ٹیکسوں کی مدد میں قومی خزانے میں اربوں روپے بھی جمع کروا رہی ہیں۔ گو شوگر کی صنعت کو پاکستان میں گروہ بندی کے ذریعے زیادہ منافع کمانے کے حوالے سے ہمیشہ تنقید کا نشانہ بنایا گیا ہے۔ گو کہ پاکستان صوبہ سندھ، پنجاب اور خیبر پختون واہ کے دیہی علاقوں میں معاشی اور معاشرتی زندگی شوگر کی صنعت سے وابستہ ہے۔ یہ شوگر ملیں کسان کے ساتھ براہ راست رابطہ کر کے ان سے ان کے مسائل دریافت کرتے ہیں اور ان کے مسائل کا حل پیش کرتی ہیں جن میں اعلیٰ معیار کے بیج، کھاد اور کیڑے مار دوائیوں کی فراہمی شامل ہے۔

ٹریڈنگ کارپوریشن آف پاکستان (ٹی سی پی) کی ذمہ داری ہے کہ چینی کے ہنگامی ذخیرے کو قائم رکھے اور پبلک سیکٹر میں ترسیلاتی مقامات کو مد نظر رکھتے ہوئے اس کی ترسیل کا نظام بھی موثر بنائے۔ اس طرح اس بندوبست سے مقامی سطح پر مارکیٹ میں چینی کی سپلائی اور قیمت کو متوازن رکھنے میں مدد ملتی ہے۔

پاکستان میں صوبائی حکومتیں گنے کی قیمت خرید متعین کرتی ہیں اور قیمتوں کے تعین میں شوگر انڈسٹری اور کسان تنظیموں کے نمائندوں کو بھی شامل کیا جاتا ہے، اس پورے عمل کا دار و مدار وزارت نیشنل فوڈ سیکورٹی اینڈ ریسرچ اور صوبائی وزارتوں برائے زراعت، غذا اور صنعت کی جانب سے مرتب کی جانے والی سفارشات پر ہوتا ہے۔ ملیں عموماً اس بات کی پابند ہوتی ہیں کہ کسانوں کو کم از کم سپورٹ پرائس کی ادائیگی کریں۔ گنے کی تیزی سے بڑھتی ہوئی قیمتوں کے باعث اب منافع کے اندر رہتے ہوئے چینی سازی کا عمل بہت مشکل ہو چکا ہے۔ شوگر انڈسٹری کو 40% امپورٹ ٹیرف کے ذریعے تحفظ بھی دیا گیا ہے تا کہ مقامی طور پر چینی کی قیمت کو سہارا دیا جاسکے اور درآمدات سے ہونے والے نقصانات سے مقامی شوگر انڈسٹری کا محفوظ بنایا جاسکے۔

Report on Corporate Social Responsibility

For the Year Ended September 30, 2020

Dear Members,

Being the Country's responsible corporate citizen, Sanghar Sugar Mills Limited gives back to society to help build a sustainable tomorrow. The Company is playing an active role in supporting sustainable community and social development of Pakistan and its people. The Company believes in the creation of shared economic and social value across the country. This following Report updates the stakeholders about the steps taken by the Company to ensure compliance:

Education

The Company ensures that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes and also ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education.

With the aim of paving the way for a brighter future and to alleviate illiteracy in the rural areas of the Country, the Company has launched education program through Al-Qalam Education Systems, Sanghar established in 2008 and is providing education facilities at the premises adjacent to the Mills' Employees' Colony by upgrading education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all by the qualified staff on concessional basis to the children of the factory employees and persons living nearby in rural areas.

The Education started from a single class room of Kindergarten with admission of 10 students. Now, grows up-to class 8th having total strength of 239 students with beautiful infrastructure, neat and clean environment with availability of all basic facilities within covered premises viz large size ventilated class rooms, computer lab, laboratory, playground, tuck shop and uninterrupted power supply. Teacher's strength of school is one head mistress, ten lady teachers & one Arabic teacher (Aa'lma). Main emphasis to run the school is to help poor people of the area, to encourage girl's education, to inspire students to internalize Islamic education in their social growth, attaining self-actualization. Education in remote areas is a big challenges specially those who are not able to afford the expenses of such a qualitative, modern education nearer to their door step. In addition to above, various events are being organized like Annual Sports Day, Parent's Day etc.

Medical & Health Care

The Company is responsive to make efforts to minimize the accidental risks, have necessary medical facilities and continuously strive to improve greenery and maintain clean and safe environment around the Mills, better housekeeping, safeguarding the health of employees and application of the principles of safety in its operations, the consumers and public at large by following the rules and regulations in this regard. The Company is running dispensary through a qualified and experienced doctors for its employees and for persons living in adjoining areas.

The Management has conducted "Annual Free Eye Camp" for two days. The Camp was held on February 01, 2020 and February 02, 2020 on the premises of the Factory. In free camp, checkup of over 1,000 outpatients were conducted and operations of 530 patients were satisfactorily done including lenses replacements and fixation as per our past practice by the famous eye surgeons and their technicians. Before the launch of camp, an advertisement campaign was made through radio, cable, social media & pamphlets for the information of needy persons. Free pick and drop arrangement was made for the patients and caring persons from the areas of Sanghar, Perumal and Mirpurkhas division. Free arrangements of accommodation and food was arranged for patients, care takers, doctors and their staff. The whole camp was financed by the Company and as well as by the Executives personally.

Further, the Company is contributing through donations to the "Kidney Dialysis Centre - Sanghar" as and when seems necessary.

In order to improve and extend Health Facilities for its employees, the Company has deliberated Ministry of Overseas Pakistanis & Human Resources Development, Workers Welfare Fund, Government of Pakistan, Islamabad, which has expressed its willingness to construct Fifty Beds Hospital by Workers Welfare Fund on the premises of the

Company in Sanghar, if the Company is ready to donate (free of cost and any charge or mortgage) Five Acres Land and transfer its Title to Workers Welfare Fund, Ministry of Overseas Pakistanis & Human Resource Development, Government of Pakistan.

On November 23, 2016, the shareholders of the Company approved the Board of Directors proposal in the Extra Ordinary General Meeting that the donation (free of cost and any charge or mortgage) and Transfer 05 Acres Land, out of 320 Acres Land of the Company in Sanghar.

In order to implement the Agreements with the Ministry of Overseas Pakistanis & Human Resource Development, Workers Welfare Fund, Government of Pakistan, Islamabad, for the purpose of construction of Fifty Beds Hospital on the above said Land in the vicinity of the Company located in Sanghar, the formalities of transfer of Land and other documentation is in process till date.

Purified Drinking Water

The Company has achieved universal and equitable access to safe and affordable drinking water for all, ensures supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity and strengthen the participation of local communities in improving water and sanitation management.

Therefore, the Company have made arrangement for the Reverse Osmosis Plant having capacity of 5000 Gallons per day for Mills and surrounding area residents to provide clean and purified drinking water.

Community & Social Development

The Company's efforts have primarily on improving the social conditions of the Communities and employees related to the Company by establishing fair working conditions, ensuring occupational safety, setting social standard, establishing minimum wages, zero tolerance on child labor and forced labor etc.

To support the sugarcane growers of the area and provide better quality seeds and fertilizers to achieve improvement in quality of sugarcane and enhance its quantity and productivity in order to have regular, constant and better supply in future the major basic raw material for sugar mills.

The Company continuously is striving to improve greenery, maintaining clean environment around the mills and better house-keeping. The Company installed and maintained water filtration plant and tanks to purify the water used for drinking purpose.

Tree Plantation:

Tree plantation is part of our main project of CSR activities. The Company has established green house at the premises of Factory where we have facilities to grow the plants and research on them based on the local atmosphere of Sanghar. We have planted several trees in the premises of Factory and nearby areas and distribute amongst the staff to plant them, at their living areas to make environment clean and green.

Human Resource Management:

There are policies and procedures which demonstrate the Human Resource department, a philosophy of fair and transparent appointments on the basis of merit and give objective of performance evaluation, which ultimately results in the increments, promotions, bonuses and cash awards. Being social responsible, the Company gives importance on providing an opportunity with dignity to people with special needs who are trained to serve the Company as a valuable human capital. We have appointed some special persons as part of human resource. The Company treats all employees fairly and compensates them according to the industry practice. The Company provides the benefits such as perquisites, annual leaves, pick and drop, facility of mess, safe and healthy working conditions etc along-with group insurance, making payments to Employees Old Age Benefits Institution, Sindh Employees Social Security Institution. The Company is committed to maintaining the principles of integrity and trust with respect to privacy of the employees of the Company.

Special Persons:

The management of the Company encourages employment of workforce living in the rural areas in order to yield significant gain and uplift their living standard. Further, the management also appointed disabled persons as an employee of the Company which have disability like stammered, deaf & dumb, limp (accident), artificial foot, damage eye and polio cases.

Women Empowerment:

The Company is in the process to strengthen our policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all level and ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life.

Contribution towards Economy & Government:

The Company is contributing to the National growth by sharing its revenue with the nation in the form of taxes, rates, duties and other levies.

Pakistan is facing severe energy crises and efforts to increase power generation. This is resulting in load-shedding and power shutdowns in all sectors, whether industrial or residential. Considering the importance of energy, the Company has been heavily investing in power generation, which includes installation of equipment & machinery, with our manufacturing area for our in-house consumption and surplus energy are sold to Hyderabad Electric Supply Corporation, to overcome the crises of power generation to some extent.

Corona Virus (COVID 19) & Lockdown:

As part of CSR activities, a comprehensive strategy by adhering to industrial SOPs were implemented and the Company has made special donations through cash and in-kind to the needy persons of adjoining areas of Mills and other nearby cities of Sanghar District during the lockdown imposed by the Government due to the COVID-19 and to help them to meet their day to day expenses. The Management has made plan to compensate the employees and gave them leave with pay during the tenure of lock down and no adjustments has been made from their available outstanding leaves. Only limited and required staff has been called for working with complete precautionary measures as per the requirements of Government. A strategy of work from home with optimal staffing at the factory and head office for safe operation and maintenance was devised and implemented. A regime of disinfecting the offices has been established, rigorously implemented and continuously monitored. Information regarding COVID-19 was shared with staff and contractors regularly at Head Office and Factory.

Blood Donation Camp:

The management of the Company has organized one day blood donation camp at mills premises for the "Thalassaemia Patients Welfare Society Nawabshah" and provided contribution in the shape of 110 pints blood donating in one day blood donation camp.

Assistance to Families of Rain Affected Areas:

During the year, rain badly affected the rural areas of Sanghar and nearby villages. Company's Management mobilized their personal resources and collected the sizeable amount of funds to help the rain affected families and provided them the initial assistance. The management stood with the community and provided the immediate relief in the form of food and ration bags for families. Distributed more than thousand mosquito nets for people stayed on road edges because of rain water accumulated at their residential areas and premises and also provided machineries to drain out the rain water.

Expenditures Incurred:

The expenditures incurred on Corporate Social Responsibility activities are disclosed in notes to the financial statements under the heading of "Other Operating Cost".

Corporate Social Responsibility Plans:

The Company is in the process of developing water and sanitation related activities and programmes, including water harvesting, desalination, water efficiency, waste water treatment, recycling and reuse technologies, therefore, the Company has finalized arrangement for the treatment of waste-water, through Activated Sludge Process (Chemical + Biology) process at Mills to meet the SEQs requirements of Sindh Environmental Protection Agency. The project work are in progress and at final completion level (trial run is in process) which will be completely operated in the ensuing season 2020-21.

Muhammad Aslam

Chairman

Corporate Social Responsibility Committee

Karachi: January 02, 2021

بارشوں سے متاثرہ خاندانوں کی امداد

دوران سال بارشوں کی وجہ سے ساگھڑ اور اس کے قرب وجوار کے دیہات بری طرح متاثر ہوئے۔ کمپنی کی انتظامیہ کی جانب سے اپنے وسائل کو بروئے کار لایا گیا اور خاطر خواہ مقدار میں عطیات جمع کئے گئے تاکہ بارشوں سے متاثرہ خاندانوں کی امداد کی جاسکے اور انہیں ابتدائی طور پر بحالی کی جانب لایا جائے۔ کمپنی کی انتظامیہ کمیونٹی کے ساتھ کھڑی رہی اور غذائی اجناس اور راشن کے تھیلوں کی صورت میں متاثرہ خاندانوں کی بھرپور امداد کی۔ سڑک کے کنارے آباد لوگوں کو چھروں سے حفاظت کے لیے ایک ہزار سے زائد چھردانیاں فراہم کی گئیں اور ان لوگوں کے گھروں اور قرب وجوار کے علاقوں میں بارش کے پانی کو ٹکالنے کے لیے مشینری بھی فراہم کی گئی۔

اخراجات

کارپوریٹ معاشرتی ذمہ داری کی بابت اخراجات کو مالیاتی دستاویزات میں "دیگر کاروباری اخراجات" کے عنوان کے تحت نوٹس میں ظاہر کیا گیا ہے۔

کارپوریٹ معاشرتی ذمہ داری کے منصوبے

کمپنی کی جانب سے پانی اور نکاسی آب سے متعلق ترقیاتی منصوبوں پر کام جاری ہے جس میں واٹر ہارویسٹنگ، ڈی سیلینیشن، واٹر انجینئرنگ، ویسٹ واٹر ٹریٹمنٹ، ریسیکلنگ اینڈ ری یوز ٹیکنالوجیز وغیرہ شامل ہیں۔ لہذا شرائط و ضوابط اور معاہدہ طے پایا جا چکا ہے، جس کے تحت مل کے اندرونیٹ واٹر کی بذریعہ ایکٹیویٹڈ سلج پروسس (کیمیکل + بائیولوجی) ٹریٹمنٹ کی جائے گی تاکہ سندھ انوائرنمنٹل پروٹیکشن ایجنسی کے ضوابط کے مطابق عمل کیا جاسکے۔ پروجیکٹ سے متعلق تمام کام زیر تکمیل ہیں اور منصوبے کے مطابق آزمائش ابھی کی جارہی ہے جو کہ اس سیزن 2020-21 میں مکمل ہونے کی اُمید ہے۔

محمد اسلم
چیرمین
کارپوریٹ معاشرتی ذمہ داری کمیٹی

کراچی 02 جنوری 2021

خواتین کی خود مختاری

کمپنی اپنی پالیسیوں کو مزید وسعت دینے کے مراحل میں ہے اور اس بات کو یقینی بنایا جا رہا ہے کہ قانوناً ایسی پالیسیوں کے نفاذ کو ممکن بنایا جاسکے جن کے ذریعے جنسی تفاوت کو ختم کیا جائے اور ہر سطح پر خواتین کے مؤثر کردار کو ممکن بنایا جائے اور انھیں برابری کی بنیاد پر مواقع فراہم کئے جائیں اور وہ بھی اپنی صلاحیتوں کی بنیاد پر لیڈر شپ کا کردار ادا کر سکیں خواہ سیاسی، معاشی یا معاشرتی میدان ہی کیوں نہ ہو۔

سرکاری و معاشی میدانوں میں کمپنی کا حصہ

کمپنی کی جانب سے قومی ترقی میں اپنا بھرپور حصہ ملایا جا رہا ہے اور اس ضمن میں کمپنی اپنی آمدن سے ٹیکسوں، ڈیوٹیز اور دیگر لیویز کی مد میں ادائیگیاں کر رہی ہے۔

پاکستان اس وقت شدید توانائی بحران سے گزر رہا ہے اور اس مسئلے سے نمٹنے کی کوششیں کی جا رہی ہیں۔ اس مسئلے کی وجہ سے تمام شعبوں کو لوڈ شیڈنگ اور پاور شٹ ڈاؤن کا سامنا ہے۔ خواہ گھریلو صارفین ہوں یا صنعتی صارفین سب ہی اس مسئلے سے دوچار ہیں۔ توانائی کی اہمیت کو مد نظر رکھتے ہوئے کمپنی کی جانب سے توانائی کے شعبے میں بھاری سرمایہ کاری کی گئی ہے جس میں مشینری اور آلات کی تنصیب شامل ہے جس سے ہمارے صنعت سازی کے عمل کو بھی توانائی کی فراہمی اندر سے ہی پوری ہو جاتی ہے اور فاضل توانائی حیدرآباد الیکٹرک سپلائی کارپوریشن کو بیچ دی جاتی ہے تاکہ جس حد تک ممکن ہو توانائی کے بحران سے نمٹا جاسکے۔

کرونا وائرس اور لاک ڈاؤن

سی ایس آر کی سرگرمیوں کے تحت صنعتی ایس او پیز منصوبے پر عمل درآمد کرنے کے سلسلے میں ایک باقاعدہ حکمت عملی مرتب کی گئی اور ملز کے قرب و جوار اور سانگھڑ ڈسٹرکٹ کے دیگر علاقوں میں کمپنی کی جانب سے COVID-19 باعث لگائے جانے والے لاک ڈاؤن کے دوران کمپنی کی جانب سے ضرورت مندوں کی امداد کے لیے نقد رقوم کے علاوہ انھیں اشیاء بھی فراہم کی گئی ہیں تاکہ وہ اپنے روزمرہ کی بنیادی ضروریات کو پورا کر سکیں۔ کمپنی کی انتظامیہ کی جانب سے ملازمین کو ادائیگوں کے سلسلے میں ایک جامع پروگرام مرتب کیا گیا اور لاک ڈاؤن کے دوران انہیں بمعہ تنخواہ چھٹیاں دی گئیں اور ان چھٹیوں کے بدلے ان کی سالانہ چھٹیوں میں کوئی کمی نہیں کی گئی۔ حکومت کی جانب سے بتائیں گئیں احتیاطی تدابیر کے تحت صرف محدود اور مطلوبہ ملازمین کو ہی کام پر بلایا گیا۔ کمپنی کی جانب سے ایک ایسی حکمت عملی مرتب کی گئی جس کے تحت فیکٹری اور ہیڈ آفس میں صرف انتہائی ضروری ملازمین کو کام کے لیے بلوایا گیا اور بقیہ ملازمین گھروں سے کام کرتے رہے۔ تمام دفاتر کو جراثیم سے پاک کرنے کا انتظام کیا گیا اور اس انتظام پر سختی کے ساتھ عمل کیا گیا اور اس کی مکمل نگرانی کی جاتی رہی۔ ہیڈ آفس اور فیکٹری میں تمام ملازمین اور کنٹریکٹروں کو COVID-19 سے متعلق معلومات بہم فراہم کی گئیں۔

خونی عطیات کا کیپ

کمپنی کی انتظامیہ کی جانب سے مل کے احاطے میں "تھیلیسیہ پشٹنس ویلفیئر سوسائٹی نوابشاہ" کے مریضوں کے لئے خون کے عطیات جمع کرنے کی غرض سے ایک کیپ لگایا گیا اور اس ایک دن کے قیام کے بعد 110 پشٹنس خون بطور عطیہ جمع کروایا گیا۔

کیونٹی اور معاشرتی ترقی

کمپنی کی توجہ بنیادی طور پر اس جانب مرکوز ہے کہ کمپنی سے متعلق کیونٹی اور ملازمین کے معاشرتی حالات میں بہتری لائی جائے اور اس ضمن میں کمپنی کی جانب سے حالات کار کو سازگار بنانے، پیشہ ورانہ امور میں حفاظت کو یقینی بنانے، معاشرتی معیارات قائم کرنے، کم از کم اجرت کا تعین کرنے اور بچوں سے مشقت لینے اور جبری مشقت کے خلاف مکمل عدم برداشت جیسے اقدامات اٹھائے جارہے ہیں۔

علاقے میں گنے کی کاشت کرنے والے کسانوں کی امداد کیلئے اور مستقبل میں گنے کی اعلیٰ معیار کی فصل کے حصول کیلئے اور گنے کی وافر مقدار کو ممکن بنانے کیلئے کسانوں کو اعلیٰ معیار کے بیج فراہم کرنے کے ساتھ ساتھ اعلیٰ معیار کی کھاد بھی فراہم کی جارہی ہے تاکہ مستقبل میں اس بات کو یقینی بنایا جائے کہ گنے کی اعلیٰ معیار اور وافر مقدار کو مستقل بنیادوں پر جاری رکھا جاسکے جو کہ شوگر ملز کیلئے ایک بنیادی خام مال ہے۔

کمپنی کی جانب سے مل کے اندر اور مل قرب جوار میں ماحول کو صاف ستھرا اور سرسبز رکھنے کیلئے ہر ممکن اقدامات اٹھائے جارہے ہیں تاکہ صحت افزاء ماحول پیدا کیا جاسکے۔ کمپنی کی جانب سے پینے کے صاف پانی کی فراہمی کیلئے ایک ٹینک تعمیر کرنے کے علاوہ فلٹر پلانٹ بھی نصب کیا گیا ہے۔

شجر کاری

شجر کاری کی مہم ہمارے سی ایس آر پروجیکٹ کی سرگرمیوں میں سے ایک اہم ترین سرگرمی ہے۔ کمپنی کی جانب سے کمپنی کے احاطے میں ایک گرین ہاؤس قائم کیا گیا ہے جہاں پودوں کو پروان چڑھانے کا مکمل بندوبست کیا گیا ہے اور ساگھڑ کے مقامی موسم کے مطابق ان پودوں پر تحقیق بھی کی جاتی ہے۔ ہماری جانب سے فیٹری کے احاطے میں اور قرب وجوار میں کئی درخت لگائے گئے ہیں اور ملازمین میں بھی پودے تقسیم کئے گئے ہیں تاکہ وہ اپنی رہائش گاہوں کے قریب بھی شجر کاری کو فروغ دے سکیں تاکہ ہمارا ماحول صاف ستھرا اور سرسبز ہو جائے۔

بندوبست برائے انسانی وسائل

انسانی وسائل کو موثر طریقے سے بروئے کار لانے کیلئے ایسی پالیسیاں اور طریق کار وضع کئے گئے ہیں کہ تعیناتیوں میں شفافیت اور میرٹ کی جھلک نظر آئے۔ اس مقصد کیلئے خدمات کی جانچ پڑتال کا ایک جامع نظام روبہ عمل ہے جس کے نتیجے میں تنخواہوں میں اضافے، ترقیوں، بونس اور نقد انعامات وغیرہ کے فیصلے کئے جاتے ہیں۔ اپنی معاشرتی ذمہ داریوں کا احساس کرتے ہوئے کمپنی کی جانب سے ایسے افراد کو خصوصی تربیت دی جاتی ہے جو خصوصی تربیت کے بعد کمپنی کیلئے قیمتی اثاثہ ثابت ہوتے ہیں۔ کمپنی کی جانب سے چند خصوصی افراد کو بھی انسانی وسائل کا حصہ بنایا گیا ہے۔ کمپنی کی جانب سے تمام ملازمین کے ساتھ جائز سلوک روا رکھا جاتا ہے اور انھیں اجرت کی ادائیگی کے سلسلے میں صنعت کی روایات کی مکمل پاسداری کی جاتی ہے۔ کمپنی کی جانب سے بہت سی سہولیات فراہم کی جاتی ہیں جیسا کہ اضافی مراعات، سالانہ چھٹیاں، ٹرانسپورٹ، مطعم اور سازگار اور صاف اور ستھرے ماحول کار کے علاوہ گروپ انشورنس، اولڈ ایج بینیفٹس کی ادائیگیاں، ورکرز ویلفیئر فنڈ اور ورکرز پروفٹ پارٹیشنیشن فنڈ جیسی سہولیات بھی میسر ہیں۔ کمپنی ایمانداری اور بھروسے جیسے اصولوں پر یقین رکھتی ہے اور کمپنی کے تمام ملازمین کی نجی زندگی میں عدم مداخلت کو اہمیت کی نظر سے دیکھا جاتا ہے۔

خصوصی افراد

کمپنی کی انتظامیہ کی جانب سے اس بات کو اہمیت دی جاتی ہے کہ دیہی علاقوں میں رہنے والے افراد کو روزگار کے زیادہ سے زیادہ مواقع فراہم کئے جائیں تاکہ ان لوگوں کے معیار زندگی میں بہتری لانے میں مدد مل سکے۔ مزید برآں، کمپنی انتظامیہ کی جانب سے خصوصی افراد کو روزگار فراہم کرنے پر بھی زور دیا جاتا ہے اور اس وقت کمپنی کے ملازمین میں خصوصی افراد شامل ہیں۔ ان خصوصی افراد میں ہکلا ہٹ، بہرہ پن، گونگ، (حادثات کے باعث) لنگڑاپن، مصنوعی ٹانگ، امراض چشم اور پولیو سے متاثرہ معذور یوں جیسی معذوریات شامل ہیں۔

صحت اور طبی سہولیات

کمپنی کی جانب سے حادثات کو کم از کم کرنے کیلئے مؤثر اقدامات اٹھائے جاتے ہیں، ضروری طبی سہولیات فراہم کی جاتی ہیں اور ملز کے اندر اور قرب وجوار میں ماحول کو سرسبز اور صاف ستھرا رکھنے، ملازمین کی صحت کو یقینی بنانے، کمپنی کے افعال کو خطرات سے پاک رکھنے اور صارفین اور عوام الناس کی صحت اور حفاظت کو ممکن بنانے کی غرض سے تمام مروجہ قواعد و ضوابط کے عین مطابق کمپنی کی جانب سے اقدامات اٹھائے جاتے ہیں۔ کمپنی کی جانب سے قابل اور تجربہ کار طبی ماہرین کے زیر نگرانی کمپنی ملازمین اور قرب وجوار کے عوام کیلئے ایک ڈسپنسری بھی چلائی جا رہی ہے۔

انتظامیہ کی جانب سے دوروزہ "سالانہ مفت کیمپ برائے امراض چشم" کا اہتمام کیا گیا۔ کیمپ مورخہ یکم فروری 2020 سے دوم فروری 2020 تک کمپنی کے احاطے میں منعقد کیا گیا۔ مفت کیمپ کے تحت 1000 سے زائد مریضوں کا معائنہ کیا گیا اور 530 مریضوں کے اطمینان بخش آپریشنز بھی کئے گئے جن میں لینز بدلے اور فکس کئے گئے۔ ان آپریشنز میں معروف ڈاکٹروں اور ٹیکنیشنوں نے حصہ لیا۔ کیمپ منعقد کرنے سے پہلے بذریعہ ریڈیو، کیبل، سوشل میڈیا اور پمفلٹ ضرورت مند افراد تک معلومات کو پہنچایا گیا۔ میرپور خاص ڈویژن، پیرول اور ساگھڑ سے مریضوں اور ان کے تیمارداروں کو لانے اور لے جانے کیلئے مفت ٹرانسپورٹ کا اہتمام بھی کیا گیا تھا۔ اس کے علاوہ مریضوں، ان کے تیمارداروں، ڈاکٹروں اور ان کے اسٹاف کیلئے قیام اور طعام کو بندوبست بھی کیا گیا تھا۔ کیمپ کے تمام اخراجات کمپنی اور اس اعلیٰ افسران نے بذات خود برداشت کئے۔

مزید برآں، جب اور جہاں ضرورت کی بنیاد پر "کڈنی ڈیلاس سینٹر ساگھڑ" میں کیمپ لگانے کیلئے کمپنی کی جانب سے عطیات فراہم کئے جا رہے ہیں۔ اپنے ملازمین کیلئے صحت کی سہولیات میں اضافے اور توسیع کے سلسلے میں کمپنی کی جانب سے وزارت برائے سمندر پار پاکستانی اور ترقی برائے انسانی وسائل، ورکرز ویلفیئر فنڈ، حکومت پاکستان اسلام آباد سے بات چیت کی گئی ہے جن کی جانب سے اس بات پر آمادگی ظاہر کی گئی ہے کہ ورکرز ویلفیئر فنڈ کے ذریعے کمپنی کے احاطے کے اندر ساگھڑ میں پچاس بستروں پر مشتمل ایک ہسپتال بنایا جائے گا بشرطیکہ کمپنی کی جانب سے (کسی معاوضے یا رہن کے بغیر) پانچ ایکڑ زمین عطیہ کی جائے اور اس زمین کی ملکیت ورکرز ویلفیئر فنڈ، وزارت برائے سمندر پار پاکستانی اور ترقی برائے انسانی وسائل حکومت پاکستان کے نام کر دی جائے۔ کمپنی کی جانب سے 23 نومبر 2016 کو غیر معمولی اجلاس عام منعقد کیا گیا اور اس اجلاس کے دوران کمپنی کے حصص داران سے بورڈ آف ڈائریکٹرز کے اس فیصلے کی توثیق حاصل کر لی گئی ہے کہ کمپنی کی 320 ایکڑ زمین بمقام ساگھڑ میں سے پانچ ایکڑ اراضی (بلا معاوضہ و رہن) عطیہ کر دی جائے اور اس زمین کا انتقال بھی کر دیا جائے۔

وزارت برائے سمندر پار پاکستانیوں اور ترقی برائے انسانی وسائل، ورکرز ویلفیئر فنڈ، حکومت پاکستان اسلام آباد کے ساتھ پچاس بستروں پر مشتمل ہسپتال کی تعمیر کیلئے معاہدوں کے نفاذ کے سلسلے میں مزکورہ بالا زمین بمقام احاطہ کمپنی ساگھڑ کے انتقال کا عمل ابھی زیر کاروائی ہے اور کاغذات تیار کئے جا رہے ہیں۔

پینے کا صاف پانی

کمپنی کی جانب سے پینے کے صاف پانی تک مناسب قیمت پر ہمہ وقت اور مناسب رسائی حاصل کر لی گئی ہے۔ کمپنی کی جانب سے اس بات کو یقینی بنایا جا رہا ہے کہ تمام افراد تک پینے کے صاف پانی کی فراہمی کو ممکن بنایا جائے اور پانی کی عدم فراہمی کی وجہ سے بیمار ہونے والے افراد کی تعداد میں کمی لائی جائے اور پانی کی فراہم اور نکاسی کیلئے مقامی کمیونٹی کی شراکت کے عمل کو مضبوط بنایا دوں پر استوار کیا جائے۔

لہذا کمپنی کی جانب سے ریورس اوسموسس پلانٹ کا بندوبست کیا گیا ہے جس کے ذریعے یومیہ 5000 گیلن پانی کو صاف کیا جاسکے گا اور اس طرح پینے کا صاف پانی ملز اور قرب وجوار میں رہنے والے عوام کو فراہم کیا جاسکے گا۔

کارپوریٹ معاشرتی ذمہ داری سے متعلق رپورٹ

بابت 30 ستمبر 2020

معزز ممبران،

وطن عزیز کا ایک ذمہ دار کارپوریٹ شہری ہونے کے ناطے ساگھڑ شوگر ملز لمیٹڈ کو معاشرے کے کل کو آج سے زیادہ مضبوط بنانے کیلئے اپنی ذمہ داریوں کا مکمل احساس ہے۔ مستقل بنیادوں پر پاکستان کے معاشرے اور افراد کی ترقی و فلاح و بہبود کی خاطر کمپنی اپنا بھرپور کردار ادا کر رہی ہے۔ کمپنی اس بات پر یقین رکھتی ہے کہ معاشرے میں شراکت کی بنیادوں پر معاشی اور معاشرتی اقدار استوار کرنے کیلئے اقدامات کئے جائیں۔ اس سلسلے میں کمپنی کی جانب سے اٹھائے گئے اقدامات کے بارے میں شراکت داروں تک معلومات بہم فراہم کرنے کیلئے درج ذیل رپورٹ پیش کی جا رہی ہے:

شعبہ تعلیم

کمپنی کی جانب سے اس بات کو یقینی بنایا جاتا ہے کہ تمام لڑکوں کی مکمل فیس معافی، مناسب اور معیاری بنیادی اور ثانوی تعلیم کا خیال رکھا جائے جو موثر نتائج پر مبنی ہو اور اس بات کو بھی یقینی بنایا جاتا ہے کہ بچوں کی معیاری نشوونما اور بنیادی تعلیم سے قبل کے تمام مراحل تک ہر لڑکے اور ہر لڑکی کو رسائی حاصل ہوتا کہ وہ بنیادی تعلیم کے حصول کیلئے مکمل طور پر تیار ہوں۔

ملک کے دیہی علاقوں سے ناخواندگی کو دور کرنے کے سلسلے میں کمپنی کی جانب سے القلم ایجوکیشن سسٹم قائم شدہ 2008 کے تعاون سے ایک تعلیمی پروگرام کا آغاز کیا گیا ہے اور ملز کی ایمپلائز کالونی کے احاطے سے متصل تعلیمی سہولیات فراہم کی جا رہی ہیں اور یہ تمام سہولیات بچوں، ان کی معذوری اور جنسی تفاوت کو مد نظر رکھتے ہوئے بہم پہنچائی جا رہی ہیں اور سہولیات کی فراہمی میں اس بات کا خیال رکھا جاتا ہے تشدد کا پہلو اس میں شامل نہ ہو اور قابل اساتذہ کی زیر نگرانی انتہائی مناسب فیس پر اعلیٰ تعلیمی سہولیات فراہم کی جائیں اور یہ سہولیات فیکلٹری کے ملازمین کے علاوہ ان بچوں کو بھی فراہم کی جائیں جو فیکلٹری کے قرب و جوار میں رہتے ہیں۔

تعلیم کا یہ عمل کنڈرگارٹن کے مرحلے میں ایک کمرے سے شروع کیا گیا جس میں بچوں کی کل تعداد محض دس (10) تھی۔ لیکن اب چند دنوں ہی کی بات ہے کہ یہ اسکول آٹھویں جماعت تک ترقی کر چکا ہے اور اس میں طلباء کی تعداد دو سو انتالیس (239) تک پہنچ چکی ہے اور اب یہ اسکول خوبصورت عمارت، صاف ستھرے ماحول اور تمام بنیادی سہولیات پر مشتمل ہے۔ اسکول کی عمارت مکمل طور پر ڈھکی ہوئی ہے اور عمارت ہوادار اور روشن درس گاہوں، کمپیوٹر لیبارٹری، کھیل کے میدان اور ٹنک شاپ پر مشتمل ہے اور اسکول میں مستقل پاور سپلائی کا نظام بھی موجود ہے۔ اسکول کا اسٹاف ایک ہیڈ مسٹر، دس خواتین اساتذہ، ایک عربی استانی (عالمہ) پر مشتمل ہے۔ اسکول کو قائم کرنے کا بنیادی مقصد علاقے کے غریب عوام کی مدد کرنا، لڑکیوں کی تعلیم کو بالخصوص فروغ دینا، بچوں کی تعلیم و تربیت میں اسلامی اقدار کو بروئے کار لانا اور بچوں میں یہ احساس پیدا کرنا ہے کہ وہ اپنی اہمیت کو پہچانیں۔ دور افتادہ علاقوں میں تعلیم کی فراہمی ایک بڑا مسئلہ ہے، بالخصوص ان لوگوں کیلئے جنہیں معیاری اور جدید تعلیم کی سہولیات ان کے گھروں کے پاس مہیا نہیں ہیں یا وہ ان سہولیات سے فائدہ اٹھانے کی سکت نہیں رکھتے۔ علاوہ ازیں، اسکول میں مختلف ایام منانے کا اہتمام بھی کیا جاتا ہے جیسا کہ سالانہ اسپورٹس ڈے اور پیرنٹس ڈے وغیرہ۔

Terms of Reference of the Audit Committee

The Board of Directors shall provide adequate resources and authority to enable the audit committee to carry out its responsibilities effectively. The terms of reference of the audit committee shall be the following:

- a) determination of appropriate measures to safeguard the Company's assets;
- b) review of quarterly, half-yearly and annual financial statements of the Company, prior to their approval by the Board of Directors, focusing on:
 - o major judgmental areas;
 - o significant adjustments resulting from the audit;
 - o going concern assumption;
 - o any changes in accounting policies and practices;
 - o compliance with applicable accounting standards;
 - o compliance with listing regulations and other statutory and regulatory requirements; and
 - o significant related party transactions.
- c) review of preliminary announcements of results prior to publication;
- d) facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- e) review of management letter issued by external auditors and management's response thereto;
- f) ensuring coordination between the internal and external auditors of the Company;
- g) review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;
- h) consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
- i) ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;
- j) review of the Company's statement on internal control systems prior to endorsement by the Board of Directors and internal audit reports;
- k) instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the chief executive officer and to consider remittance of any matter to the external auditors or to any other external body;
- l) determination of compliance with relevant statutory requirements;
- m) monitoring compliance with the regulations and identification of significant violations thereof;
- n) review of arrangement for staff and management to report to audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;
- o) recommend to the Board of Directors the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the Company by the external auditors in addition to audit of its financial statements. The Board of Directors shall give due consideration to the recommendations of the audit committee and where it acts otherwise and shall record the reasons thereof;
- p) consideration of any other issue or matter as may be assigned by the Board of Directors.

Related party transactions

The details of all related party transactions shall be placed periodically before the Audit Committee of the Company and upon recommendations of the audit committee the same shall be placed before the Board for review and approval.

The related party transactions, not executed at arm's length price, shall also be placed separately at each Board meeting along with necessary justification for consideration and approval of the Board on recommendation of the Audit Committee of the Company. The Board of Directors of a Company shall approve the pricing methods for related party transactions that were made on the terms equivalent to those that prevail in arm's length transaction, only if such terms can be substantiated.

Terms of Reference of the Human Resource & Remuneration Committee

The Terms of reference of Committee shall be the following:

- i. leading the process for Board appointments, identifying and assessing candidates who are qualified for election of Directors (in particular, independent Directors) after invoking necessary procedures for making recommendations to the Board prior to publishing names of nominees for election of Directors by the general meeting;
- ii. recommend to the Board for consideration and approval a policy framework for determining remuneration of Directors (both executive and non-executive Directors and members of senior management). The definition of senior management will be determined by the Board which shall normally include the first layer of management below the chief executive officer level;
- iii. undertaking annually a formal process of evaluation of performance of the Board as a whole and its committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the Directors' report disclosing name, qualifications and major terms of appointment;
- iv. recommending human resource management policies to the Board;
- v. recommending to the Board the selection, evaluation, development, compensation (including retirement benefits) and succession planning of the chief executive officer;
- vi. recommending to the Board the selection, evaluation, development, compensation (including retirement benefits) of chief operating officer, chief financial officer, Company secretary and head of internal audit;
- vii. consideration and approval on recommendations of chief executive officer on such matters for key management positions who report directly to chief executive officer or chief operating officer;
- viii. where human resource and remuneration consultants are appointed, their credentials shall be known by the committee and a statement shall be made by them as to whether they have any other connection with the Company.

Terms of Reference of the Risk Management Committee

The Board constituted the Risk Management Committee to carry out a review of effectiveness of risk management procedures and present a report to the Board. The Terms of Reference of the committee shall include the following:

- a) Monitoring and review of all material controls (financial, operational, compliance);
- b) Risk mitigation measures are robust and integrity of financial information is ensured;
- c) Appropriate extent of disclosure of Company's risk framework and internal control system in Directors report.

Terms of Reference for the Corporate Social Responsibility Committee

The terms of reference of the committee are as follows:

- o To review, agree and establish the Company's corporate strategy to ensure that corporate social responsibility is and remains an integral part of the strategy and its implementation in practice and that the social, environmental and economic activities are aligned
- o To ensure that there is recognition of the impact of its activities upon all stakeholders including shareholders, customers, suppliers, employees and the wider community and environment and that those activities are regulated such that, consistent with sustainable business and development, they are conducted in a socially responsible manner and have a positive impact on society
- o To develop and recommend for acceptance by the Board policies on all key areas of CSR including the environment, health and safety, product testing and customer safety, standards of business conduct, ethics, employees and employee development, charitable activities and community initiatives
- o To develop and support the activities necessary to convert CSR policies into an effective plan for implementation and to agree a programme of specific CSR activities and focus for each financial year, supported by appropriate targets and key performance indicators
- o To monitor compliance with the CSR policies and review performance against agreed targets
- o In conjunction with management and other committees of the Board including the Risk Management Committee, to identify material environmental, social and health and safety risk areas and to ensure that appropriate measures are taken to mitigate any such risks
- o To evaluate and oversee on an ongoing basis the quality and integrity of any reporting to external stakeholders concerning CSR matters and, specifically, to review and present to the Board for final approval a CSR report for publication in the annual reports and accounts
- o To develop and encourage effective two-way communication concerning CSR issues within the business
- o Where appropriate, to consider the appointment of external advisors to advise and support the committee in respect of CSR initiatives and to be responsible for establishing the selection criteria, terms of reference and fees in respect of any such advisors
- o CSR Commitment Statement to be placed and agreed in each meeting of the Committee with respect to CSR definition, business value of CSR, vision and commitment (resources, time, personnel)
- o To determine the priority areas wherein the CSR projects are currently being managed (ongoing projects) and are planned to be initiated (upcoming projects)

- o To allocate resources and earmark specific resources (quantifiable), specific criteria, or a proportion of amount for selected CSR activities. The method of allocation of resources or identified criteria must be predetermined and endorsed by the Committee / Board
- o Hold orientation sessions for the Committee members and the Board to ensure that the members and the Board have adequate understanding and expertise of CSR for making informed decisions and incorporate CSR as part of Annual Board Evaluation
- o Specifying the organizational approach towards CSR
- o Incorporating the CSR approach into code of ethics of the Company
- o Setting targets for achievement of CSR objectives and periodic monitoring and evaluation of CSR activities
- o Recognizing and documenting the shortfalls / failures and incorporating improvement in future CSR policy / plans
- o To consider such other topics and issues in relation to CSR as may be stipulated by the Board from time to time

Terms of Reference of the Information Technology & Steering Committee

The Board constituted the Information Technology & Steering Committee to carry out a review of effectiveness of reporting and procedures and to present a report to the Board. The terms of reference of the committee shall be the following:

- o To have properly documented and implemented Information Technology Governance Policy to ensure integrated framework for evolving and maintaining existing Information Technology and acquiring new technology to achieve the Company's Strategic focus
- o To define Information Technology Governance, Scope and its role & responsibilities
- o To promote accountabilities, due diligence, efficient and economic delivery of the Company's Information Technology services
- o To provide structured decision making process around Information Technology investment decisions
- o To laydown solid structure for management decision making
- o To develop & upgrade different modules to provide reliable, efficient and timely information

Policy for Corporate Social Responsibility

The following are the Synopsis of policy for Corporate Social Responsibility.

The objective is to promote the development of a framework for Corporate Social Responsibility (CSR) initiatives by the Sanghar Sugar Mills Limited (the Company).

Strategy of Corporate Social Responsibility

The Company is socially responsible and committed to conduct its business ethically and with responsibility. The Company is conscious of the role to play as responsible corporate citizen in fulfilling the various needs of the society concerning health, safety, environment, employee relationship and social welfare of the society. The Company considers itself accountable to its stakeholders and has identified dimensions of performing the social responsibilities which are contribution to economy, environment and society. The management peruses the strategy by following strategic guidelines to be a good corporate citizen:

1. Encouraging employment of work force living in the rural areas in order to yield significant gain and uplift their living standard.
2. Continuously striving to improve greenery, protecting the environment, maintain a clean environment around the factory and better housekeeping.
3. Making arrangement for civic, health, safety of people, education and accommodation facilities to employees and people.
4. Support social causes and human rights.
5. Conducting business in a socially responsible and ethical manner and in compliance with the Law.
6. Behave responsibly and with sensitivity to local communities in the area in which we operate.
7. Engaging, learning from, respecting and supporting the communities and cultures within which we work.

Sustainability & Corporate Social Responsibility

The Company acknowledges its social and ethical responsibility to carry out its business in order to keep it safe and protect it for the generation to come. Sustainability Policy is considered to be essential for continuing of the business. The Company considers itself accountable to its stakeholders and informs them about the initiative and measures taken to ensure sustainability and has identified the following dimensions of performing social responsibilities which contributing to economy, environment, health, education and society.

1. To support the sugarcane growers of the area and provide better quality seeds and fertilizers to achieve improvement in quality of sugarcane and enhance its quantity and productivity in order to have regular, constant and better supply in future the major basic raw material for sugar mills.
2. To alleviate illiteracy in the rural areas of the Country, the Company has launched education program and is providing education facilities at the premises adjacent to the Mills' Employees' Colony by the qualified staff on concessional basis to the children of the factory employees and persons living nearby in rural areas.
3. To contributing to the National growth by sharing its revenue with the nation in the form of taxes, rates and duties.
4. To improve foreign reserves of the Country by earning foreign currency through exports of sugar as and when allowed.

5. To follow consciously the needs of the Society concerning health, safety and environment for achieving the objective.
6. To make efforts to minimize the accidental risks, have necessary medical facilities and continuously strive to improve greenery and maintain clean and safe environment, better housekeeping, safeguarding the health of employees.
7. To make efforts on improving the social conditions of the Communities and employees related to the Company by establishing fair working conditions, ensuring occupational safety, setting social standard, establishing minimum wages, zero tolerance on child labour and forced labour etc.
8. To encourage employment of workforce living in the rural areas in order to yield significant gain and uplift their living standard.
9. To treat all employees fairly and compensates them according to the industry practice. Provides the benefits such as perquisites, annual leaves, pick and drop, facility of mess, safe and healthy working conditions etc along-with group insurance, making payments to Employees Old Age Benefits Institution, Worker's Welfare Fund, Worker's Profit Participation Funds.
10. To maintain the principles of integrity and trust with respect to privacy of the employees of the Company.
11. To carry out activities at the time of natural calamity or engage in Disaster Management System.
12. To promote sustainability in collaboration with the industry associations.
13. To contribute to any fund setup by the Government, which may be recognized as CSR activity.
14. Monitor and review our CSR policies and procedures on a regular basis to ensure suitability and effectiveness.
15. Use continuous assessment to ensure our CSR activities meet identified performance objectives.

Policy for Directors' Remuneration & Meeting Fee

Following are the policy for Directors' Remuneration and Meeting Fee of Sanghar Sugar Mills Limited (the Company)

Meeting Fee of Directors

Non-Executive Directors do not have service agreements, but are engaged on the basis of a letter of appointment. All Directors are subject to re-election after three years at the Extra Ordinary General Meeting. It is the policy of the Board of Directors that Non-Executive Directors are not eligible to participate in any of the Company's bonus, share option, long-term incentive or Gratuity schemes.

Objective Approach of the Company Fees (cash and shares) is to attract and retain Non-Executive Directors of the highest caliber with broad commercial experience relevant to the Company. The fees paid to Non-Executive Directors are determined by the Board of Directors, with recommendations provided. Fee levels may be reviewed annually, with any adjustments effective from start of the financial year and are reviewed by taking into account external advice on best practice and competitive levels. Time commitment and responsibility are also taken into account when reviewing fees. Chairman and Non-Executive Director fees may be delivered in cash. The fees paid to the Chairman and Non-Executive Directors in respect of the year under review (and for the following year) are disclosed in the Annual Report. Aggregate fees are limited by the Company's Articles of Association. Travel and expenses for Non-Executive Directors (including the Chairman) are incurred in the normal course of business, for example in relation to attendance at Board and Committee meetings. The costs associated with these are all met by the Company.

Any non-executive director may waive the meeting fee from the Company, upon submission of waiver consent in writing.

The remuneration to be paid to any director except the Chief Executive and the working directors for attending the meetings of the directors or a committee of directors shall not exceed the scale approved from time to time by the Board of Directors, as the case may be.

The remuneration of a director for performing extra services, including the holding of the office of the chairman, from time to time shall be determined by the Board of Directors.

Members representing management or others in any committee and the Executive Directors / Executives will not be entitle for the Meeting Fee.

Executive Directors Remuneration

Basic Salary:

Provides market competitive fixed remuneration that rewards to relevant skills, responsibilities and contribution. Salaries are positioned within a market competitive range for companies of a similar size and complexity. The Board / Committee does not slavishly follow data but uses it as a reference point in considering, in its judgment, the appropriate level having regard to other relevant factors including corporate and individual performance and any changes in an individual's role and responsibilities. Basic salary is paid monthly through cheque.

Benefits & Allowances:

To provide appropriate supporting monetary benefits. Provides appropriate insurance cover benefits. The Company may periodically change the benefits available for the office at which an Executive Director works in which case the Director would normally be eligible to receive the amended benefits on similar terms to all relevant staff.

Increment:

It's a sole discretion of the Board of Directors to decide the Increment percentage for annual basis of Executive Directors.

Gratuity:

Provides basic retirement benefits which reflects local market practice and for the permanent employee of the Company as per policy.

Production Bonuses:

Supports delivery of short term operational, financial and strategic goals. Production Bonuses levels and the appropriateness of measures are reviewed annually to ensure they continue to support the strategy. Production bonuses will be paid as per the policy of the Company and subject to the limit approved by the Board of Directors for the Executive Directors.

Others:

The remuneration of a director for performing extra services, including the holding of the office of the chairman, from time to time shall be determined by the Board of Directors. Interested Directors & their relatives will not be eligible to participate and vote in the proceeding of the Board Meetings in which their remuneration & benefits will be discussed. All taxes and or with-holding taxes will applicable on the Remuneration and fee paid by the Company. These are subject to deduction of tax as per the applicable laws.

Policy for Whistleblowing

Following are the synopsis of policy for Whistleblowing.

Introduction

The Whistleblowing Policy gives legal protection to employee(s) or person(s) against being dismissed or penalized by their employers as a result of alone or jointly, provides to the Regulatory Authorities and to the Sanghar Sugar Mills Limited (the Company) with information regarding a contravention or indented contravention of the Laws and policies administered by the Regulatory Authorities and the Company.

It is fundamental to any employment contract that an employee will be loyal to his or her employer and will not disclose confidential information outside the organization. However, from time to time, a member of staff might discover information which he or she believes shows wrongdoing or malpractice within the organization. On such occasions, it must be made possible for the information to be disclosed without fear of reprisal.

Policy Statement

Sanghar Sugar Mills Limited (the Company) is committed to the highest standards of honesty, openness and accountability. It aims to ensure that it operates in a responsible manner, taking into account standards set out. It recognizes that individual members of staff have an important role in helping to achieve this aim.

It is often members of the Company who are first to know if someone in the Company, or connected with it, appears to be acting illegally or improperly. They may feel apprehensive or anxious about raising their concerns, and their loyalty to the Company or to a colleague may prevent them from doing so. They might also be concerned that they will not be taken seriously or about any action against themselves that a disclosure might provoke. However, the Company encourages individuals who have knowledge, or reasonable suspicion, of wrongdoing to come forward. The Company takes all wrongdoing seriously and believes that any evidence suggesting such behavior should be investigated thoroughly.

The purpose of this procedure is to assist and enable all person(s) and or employee(s) of the Company to raise concerns or to disclose information which they believe, in good faith, may indicate malpractice.

Scope of the Policy and Procedure

The policy and procedures are concerned with alleged malpractice, impropriety or wrongdoing in the Company, which it is in the Company's or Shareholder's interest to disclose. The purpose of this policy is to establish appropriate handling of the receipt, retention, and treatment of Whistleblowing matters that may involve; (however it is not an exhaustive list):

- o Breach of Company's Policies / Manuals (Accounting policies, Department Manuals, Money Laundering, Department Standard Operating Procedures or other policies / manuals);
- o Breach of Internal Controls, management override of controls or other auditing matters;
- o Noncompliance of various regulations and rules applicable on the Company (Companies Act, Income Tax Ordinance, Listing regulations, Rule Book of Pakistan Stock Exchange, Securities Act, Code of Corporate Governance and etc. and their related rules, notifications, directives or circulars etc.);
- o Non-compliance of Code of Conduct;
- o Fraud that is the use of deception with the intention of gaining an undue advantage, avoiding an obligation or causing loss to another party;
- o False representations of a matter of fact whether by words or by conduct to clients or other stakeholders or any other fraudulent activities;

- o Misappropriation of assets;
- o Misuse of confidential information or deliberate falsification of records;
- o Gross misconduct, gross incompetence, gross inefficiency or inadequate performance;
- o Willful omission to perform duty;
- o Illicit and corrupt practices;
- o Acts of omissions which are deemed to be against the interest of the Company, laws, regulations or public policies;
- o Deliberate damage to or misuse of Company's property, plant & equipment and resources;
- o Taking or giving bribes or any illegal gratification or any other questionable activity;
- o Serious breach of confidence, including insider dealing in securities;
- o Financial malpractice or impropriety or fraud;
- o Dangers to health and safety or the environment;
- o Criminal activity;
- o Improper conduct or unethical behavior including any offence;
- o Miscarriage of justice; and
- o Attempts to conceal any of the above and others.

It can be difficult to decide whether a particular action falls within the procedures and it may be that, when concerns are investigated, it appears appropriate to address them through other more specific procedures. As part of its day to day conduct of business the Company takes decisions under established and reasonable procedures. It is not intended that this procedure will allow such decisions to be questioned unless on grounds of malpractice, impropriety or wrongdoing.

Report of the Audit Committee

The Audit Committee (the Committee) is accountable to the Board for the determination of appropriate measures to safeguard the Company's assets, review of the Company's internal control systems prior to endorsement by the Board of Directors and internal audit reports, recommendation of appointment of external auditors, directing and monitoring the audit function, reviewing the adequacy and quality of the audit process and recommendation to the Board for approval of related party transactions. The Committee gives additional assurance to the Board for the accuracy of the financial information and also ensures that the Company has an effective internal control framework.

The Audit Committee has concluded its annual review of the conduct and operations of the Company during the financial year ended September 30, 2020 and reports that:

- o The Company has issued a "Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019" (Compliance Statement) along-with the details of non-compliances of non-mandatory Regulations with the explanation thereon, which has also been reviewed by the Statutory Auditors of the Company and issued a Review Report thereon.
- o The Committee has also reviewed the Compliance Statement and confirm that the requirements of the Regulations have been complied except for those as stated therein for non-mandatory Regulations and the requirements are disclosed in the Compliance Statement.
- o The Committee has briefly reviewed the details, contents and the adequacy of the details and information reported in the Directors' Review on Condensed Interim Financial Statements during the year and the Directors' Report on Annual Financial Statements.
- o The Chief Executive Officer and the Chief Financial Officer have endorsed the financial statements of the Company before presenting to the Committee and the Board. They acknowledge their responsibility for true and fair presentation of the Company's financial statements, accuracy of reporting, compliance with regulations, applicable accounting standards, establishment and maintenance of internal controls and systems of the Company.
- o The Committee has reviewed the Condensed Interim Quarterly Financial Statements and Annual Audited Financial Statements for the year 2019-20 and recommended to the Board for approval and focused on the followings:
 - > Major judgmental areas
 - > Significant adjustments resulting from the audit (if any)
 - > Going concern assumptions
 - > Changes in accounting policies and practices (if any)
 - > Compliance with accounting policies and practices
 - > Compliance with rules, regulations, statutory and regulatory requirements
 - > All related party transactions
- o The Related Party Transactions made by the Company in the normal course of business has been reviewed by the Committee and recommended to the Board for approval.

- o Accounting estimates are based on reasonable and prudent judgments. Certain valuation reports like Revaluation Report of Property, plant & equipment and the Actuarial Valuation of retirement benefits conducted by the third party professionals have been examined and incorporated in the Financial Statements. Proper and adequate accounting records have been maintained by the Company. The Financial Statements comply with the requirements of Companies Act, 2017 and the external reporting is consistent with management processes and adequate for shareholders need.
- o The Company's system of internal controls are sound in design and has been continually evaluated for effectiveness and adequacy.
- o The Committee has ensured the achievement of operational, compliance, risk management, financial reporting, control objectives and safeguarding of the assets of the Company.
- o The Committee conducted meeting with Internal & External Auditors and discussed the matters as required by the regulations.
- o The Audit Committee has reviewed and discussed the Key Audit Matters and observations with the external auditors. The Management Letter issued by the External Auditors on audit observations for the year 2018-19 was discussed with them by the Committee and for the year 2019-20 will be discussed with-in the specified time, as required by the Code of Corporate Governance.
- o There were no complaints and or cases reported to the Committee during the year regarding accounting & internal controls, fraud and whistle blowing.
- o The Committee has reviewed the Internal Audit Reports made during the year.
- o The Committee has ensured the achievement of operational, compliance, risk management, financial reporting and control objectives, safeguarding of the assets of the Company and the shareholders wealth at all levels within the Company.
- o The Committee has reviewed Internal Audit findings, taking appropriate action or bringing the matters to the Board's attention where required.
- o The Committee has recommended the re-appointment of external auditors and their remuneration, the provision of any service permissible to be rendered to the Company by the external auditors in addition to the audit of financial statements for the ensuing year 2020-21.

Karachi: January 02, 2021

Rahim Bux
Chairman - Audit Committee

Independent Auditor's Review Report to the Members of Sanghar Sugar Mills Limited

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Sanghar Sugar Mills Limited (the Company) for the year ended September 30, 2020 in accordance with the requirements of regulation 36 of the Regulations.

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

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

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended September 30, 2020.

CHARTERED ACCOUNTANTS

Place: Karachi

Date: January 02, 2021

Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of the Company: Sanghar Sugar Mills Limited

Year Ending : September 30, 2020

The Company has complied with the requirements of the Regulations in the following manner:

1. The total number of Directors are Eight as per the following:
 - a) Male - Seven
 - b) Female - One
2. The composition of Board is as follows:
 - a) Independent Directors
 - Male - Two
 - Female - One
 - b) Non-Executive Directors - Three
 - c) Executive Directors - Two
3. The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this company.
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ Shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.
8. The Board have formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The Board has arranged Directors' Training program for the following:

Name of Directors:

 1. Mr. Ghulam Dastagir
 2. Mr. Rahim Bux
 3. Mr. Ghulam Hyder
 4. Mr. Mohammad Aslam
 5. Mr. Qazi Shamsuddin

Mr. M. Abdul Jabbar has completed the Directors' Training program before election of the Company and Haji Khuda Bux Rajar meet the exemption criteria of minimum of 14 years of education and 15 years of experience on the Boards of listed companies, hence are exempt from Directors' training program.
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:
- | | | |
|----|--|----------|
| a) | Audit Committee: | |
| | Mr. Rahim Bux | Chairman |
| | Mr. Ghulam Dastagir | Member |
| | Mr. M. Abdul Jabbar | Member |
| b) | Human Resource and Remuneration Committee: | |
| | Mr. Rahim Bux | Chairman |
| | Mr. Ghulam Hyder | Member |
| | Mr. M. Abdul Jabbar | Member |
| c) | Risk Management Committee: | |
| | Mr. Muhammad Aslam | Chairman |
| | Haji Khuda Bux Rajar | Member |
| | Mr. Qazi Shamsuddin | Member |
| d) | Corporate Social Responsibility Committee: | |
| | Mr. Muhammad Aslam | Chairman |
| | Mr. Qazi Shamsuddin | Member |
| | Ms. Nazia Azam | Member |
| | Syed Rehan Ahmad Hashmi | Member |
| e) | Information Technology & Steering Committee: | |
| | Mr. Ghulam Hyder | Chairman |
| | Syed Rehan Ahmad Hashmi | Member |
| | Mr. Sheraz Khan | Member |
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committee were as per following:
- | | | |
|----|---|-------------------------|
| a) | Audit Committee | Six meetings |
| b) | Human Resource and Remuneration Committee | Three meetings |
| c) | Risk Management Committee | Half yearly meetings |
| d) | Corporate Social Responsibility Committee | Four quarterly meetings |
| e) | Information Technology & Steering Committee | Half yearly meetings |
15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Companies Act, 2017, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all requirements of Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

S. No.	Regulation No.	Requirement	Explanation of Non-Compliance
1	5	Representation of Minority Shareholders - The minority members as a class shall be facilitated by the Board to contest election of directors.	None of the person representing minority shareholders, filed Consent to act as director with the Company during the timeline as specified in the Election of Directors held on October 31, 2020. Therefore, the elected Directors of the Company will take due care of minority shareholders.
2	10(1)	Responsibilities of the Board of Directors - Adoption of Corporate governance practices by the Company	Non-mandatory provision of the Regulations and are partially complied. The Company is deliberating on full compliance with all the provisions of Regulations.
3	23 & 31 (5)	Qualification of Internal Auditor - The Company shall ensure that head of internal audit is suitably qualified, experienced and conversant with the Company's policies and procedures.	The head of internal audit is reasonably qualified and have an experience of eleven years of listed Company and also have an experience of audit firm of chartered accountants. The Head of Internal Audit is conversant with the Company's policies and procedures.
4	29	Nomination Committee - The Board may constitute a separate committee, designated as the nomination committee, of such number and class of Directors, as it may deem appropriate in its circumstances.	Currently, the Board has not constituted a separate nomination committee and the functions are being performed by the human resource and remuneration committee. The Board may consider to constitute nomination committee.
5	35	Disclosure of Significant Policies on website - The Company may post key elements of its significant policies, brief synopsis of terms of reference of the Board's Committees on its website and key elements of the Directors' remuneration policy.	All the policies are well circulated among the relevant employees and Directors, the Board shall consider posting such policies and synopsis on its website in near future.

Karachi: January 02, 2021

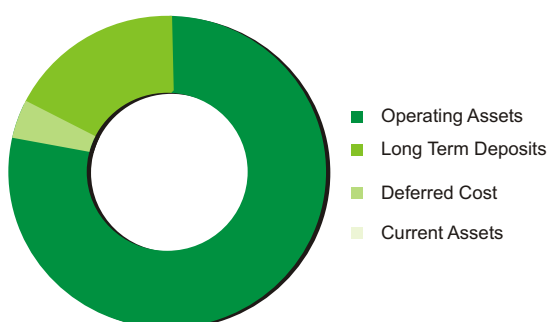
Ghulm Dastagir Rajar
Chairman

KEY OPERATING & FINANCIAL HIGHLIGHTS

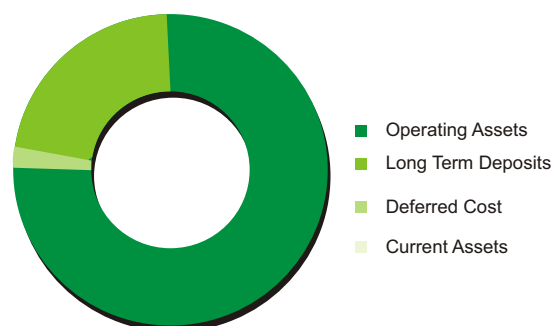
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
OPERATIONAL DATA										
Duration of Season (Days)	109	100	142	133	117	137	151	121	109	117
Cane crushed (Tons)	387,302.875	490,931.929	712,124	625,237	563,617	630,317	738,209	542,289	483,352	491,205
Sucrose Recovery (%)	10.263	10.76	10.37	10.12	10.20	10.19	9.81	9.77	9.62	9.57
Sugar Made (Tons)	39,804.25	52,799.25	73,776	63,380	57,387.5	64,271	72,530	52,823	46,516	47,008
Molasses (Tons)	16,802	23,590	42,017	30,300	27,040	34,299	39,260	27,460	26,503	24,004
All figures are in Rs in '000										
PROFIT OR LOSS RESULTS										
Turnover - Net	2,938,182	2,770,439	3,405,535	2,583,232	2,832,657	2,869,164	3,196,951	2,771,454	3,005,261	1,498,297
Gross Profit / (Loss)	156,161	131,778	98,520	(70,660)	151,582	257,087	213,749	148,572	195,512	245,956
Operating Profit / (Loss)	49,137	21,580	146,802	(165,398)	59,919	170,905	135,446	94,580	95,814	159,342
(Loss) / Profit before taxation	(98,846)	(148,608)	24,868	(259,678)	11,060	89,783	36,091	14,271	(424)	64,345
(Loss) / Profit after taxation	(118,755)	(98,855)	19,426	(287,104)	13,953	57,400	8,732	6,901	(6,554)	37,759
ASSETS EMPLOYED										
Operating Assets	2,712,815	2,807,695	2,909,416	1,745,965	1,465,348	1,167,508	1,146,845	729,685	747,116	754,005
Long Term Deposits	20,231	17,323	18,823	20,961	15,467	10,966	9,478	45,300	36,369	36,396
Deferred Cost	—	—	8,771	17,543	28,885	33,373	—	—	—	—
Current Assets	606,939	815,755	1,131,843	1,302,916	915,207	688,656	670,133	461,593	935,108	1,471,518
Total Assets Employed	3,339,985	3,640,773	4,068,853	3,087,385	2,424,907	1,900,503	1,826,456	1,236,578	1,718,593	2,261,919
FINANCED BY										
Shareholder's equity	1,108,108	1,223,854	1,330,699	569,165	863,437	860,635	798,148	501,566	490,172	496,725
Long Term Liabilities	247,536	145,670	250,863	345,291	262,532	103,640	23,174	75,242	64,908	85,089
Deferred Liabilities	508,584	519,916	603,790	300,074	295,067	325,349	320,838	210,011	217,741	217,014
Current Liabilities	1,475,757	1,751,333	1,883,501	1,872,855	1,003,871	610,879	684,296	449,759	945,772	1,463,091
Total Fund Invested	3,339,985	3,640,773	4,068,853	3,087,385	2,424,907	1,900,503	1,826,456	1,236,578	1,718,593	2,261,919

Graphical Presentation of Financial Highlights

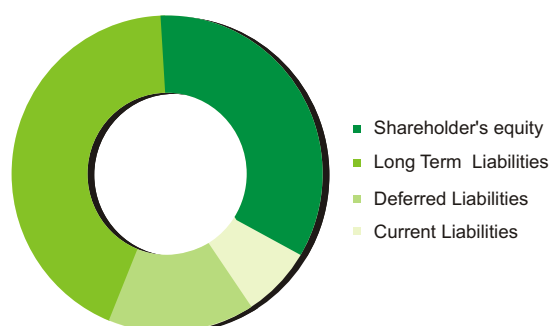
Total Assets Employed - 2020



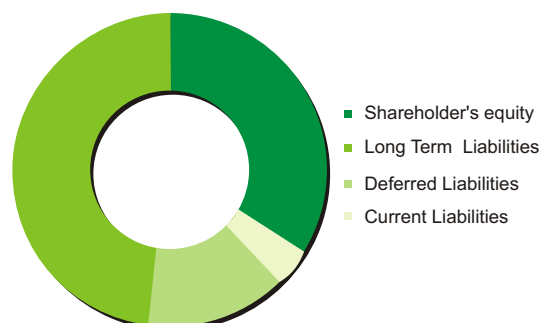
Total Assets Employed - 2019



Total Fund Invested - 2020



Total Fund Invested - 2019



Horizontal Analysis of Financial Statements

	2020	2019	2018	2017	2016	2020	2019	2018	2017	2016
	Rupees in 000					Variance in %				
Financial Position										
Total Non-Current Assets	2,733,046	2,825,018	2,937,010	1,784,469	1,509,700	(3.26)	(3.81)	64.59	18.20	24.58
Total Current Assets	606,939	815,755	1,131,843	1,302,916	915,207	(25.60)	(27.93)	(13.13)	42.36	32.90
Total Assets	3,339,985	3,640,773	4,068,853	3,087,385	2,424,907	(8.26)	(10.52)	31.79	27.32	27.59
Total Equity & Surplus on revaluation	1,108,108	1,223,854	1,330,699	569,165	863,437	(9.46)	(8.03)	133.80	(34.08)	0.33
Total Non-Current Liabilities	756,120	665,586	854,653	645,365	557,599	13.60	(22.12)	32.43	15.74	29.98
Total Current Liabilities	1,475,757	1,751,333	1,883,501	1,872,855	1,003,871	(15.74)	(7.02)	0.57	86.56	64.33
Total Equity & Liabilities	3,339,985	3,640,773	4,068,853	3,087,385	2,424,907	(8.26)	(10.52)	31.79	27.32	27.59
Profit or Loss										
Sales	2,938,182	2,770,439	3,405,535	2,583,232	2,832,657	6.05	(18.65)	31.83	(8.81)	(1.27)
Cost of sales	(2,782,021)	(2,638,661)	(3,307,015)	(2,653,892)	(2,681,075)	5.43	(20.21)	24.61	(1.01)	2.64
Gross Profit / (Loss)	156,161	131,778	98,520	(70,660)	151,582	18.50	(33.76)	239.43	(146.62)	(41.04)
Trading activities	—	—	3,553	—	2,179	-	(100.00)	(100.00)	(100.00)	100.00
Distribution cost	(710)	(12,698)	(41,879)	(796)	(522)	(94.41)	(69.68)	5,161.18	52.49	(32.12)
Administrative cost	(99,630)	(91,136)	(90,971)	(84,937)	(77,999)	9.32	0.18	7.10	8.89	3.25
Other operating cost	(6,684)	(6,364)	(7,812)	(11,622)	(22,168)	5.03	(18.54)	(32.78)	(47.57)	122.79
Other income	5,463	2,479	185,391	2,617	6,847	120.37	(98.66)	6,984.10	(61.78)	8,353.09
Operating Profit / (Loss)	54,600	24,059	146,802	(165,398)	59,919	126.94	83.61	188.76	(376.04)	(64.94)
Finance cost	(153,446)	(172,667)	(121,934)	(94,280)	(48,859)	(11.13)	41.61	29.33	92.96	(39.77)
(Loss) / Profit before taxation	(98,846)	(148,608)	24,868	(259,678)	11,060	33.49	697.59	109.58	(2,447.90)	(87.68)
Taxation	(19,909)	49,753	(5,442)	(27,426)	2,893	(140.02)	(1,014.24)	(80.16)	(1,048.01)	(108.93)
(Loss) / Profit after taxation	(118,755)	(98,855)	19,426	(287,104)	13,953	(20.13)	608.88	106.77	(2,157.65)	(75.69)

Vertical Analysis of Financial Statements

	2020 Rupees in 000	2020 %	2019 Rupees in 000	2019 %	2018 Rupees in 000	2018 %	2017 Rupees in 000	2017 %	2016 Rupees in 000	2016 %
Financial Position										
Total Non-Current Assets	2,733,046	81.83	2,825,018	77.59	2,937,010	72.18	1,784,469	57.80	1,509,700	62.26
Total Current Assets	606,939	18.17	815,755	22.41	1,131,843	27.82	1,302,916	42.20	915,207	37.74
Total Assets	3,339,985	100.00	3,640,773	100.00	4,068,853	100.00	3,087,385	100.00	2,424,907	100.00
Total Equity & Surplus on revaluation	1,108,108	33.18	1,223,854	33.62	1,330,699	32.70	569,165	18.44	863,437	35.61
Total Non-Current Liabilities	756,120	22.64	665,586	18.28	854,653	21.00	645,365	20.90	557,599	22.99
Total Current Liabilities	1,475,757	44.18	1,751,333	48.10	1,883,501	46.29	1,872,855	60.66	1,003,871	41.40
Total Equity & Liabilities	3,339,985	100.00	3,640,773	100.00	4,068,853	100.00	3,087,385	100.00	2,424,907	100.00
Profit or Loss										
Sales	2,938,182	100.00	2,770,439	100.00	3,405,535	100.00	2,583,232	100.00	2,832,657	100.00
Cost of sales	(2,782,021)	(94.69)	(2,638,661)	(95.24)	(3,307,015)	(97.11)	(2,653,892)	(102.74)	(2,681,075)	(94.65)
Gross Profit / (Loss)	156,161	5.31	131,778	4.76	98,520	2.89	(70,660)	(2.74)	151,582	5.35
Trading activities	—	—	—	—	3,553	0.10	—	—	2,179	0.08
Distribution cost	(710)	(0.02)	(12,698)	(0.46)	(41,879)	(1.23)	(796)	(0.03)	(522)	(0.02)
Administrative cost	(99,630)	(3.39)	(91,136)	(3.29)	(90,971)	(2.67)	(84,937)	(3.29)	(77,999)	(2.75)
Other operating cost	(6,684)	(0.23)	(6,364)	(0.23)	(7,812)	(0.23)	(11,622)	(0.45)	(22,168)	(0.78)
Other income	5,463	0.19	2,479	0.09	185,391	5.44	2,617	0.10	6,847	0.24
Operating Profit / (Loss)	54,600	1.86	24,059	0.87	146,802	4.31	(165,398)	(6.40)	59,919	2.12
Finance cost	(153,446)	(5.22)	(172,667)	(6.23)	(121,934)	(3.58)	(94,280)	(3.65)	(48,859)	(1.72)
(Loss) / Profit before taxation	(98,846)	(3.36)	(148,608)	(5.36)	24,868	0.73	(259,678)	(10.05)	11,060	0.39
Taxation	(19,909)	(0.68)	(49,753)	(1.80)	(5,442)	(0.16)	(27,426)	(1.06)	2,893	0.10
(Loss) / Profit after taxation	(118,755)	(4.04)	(98,855)	(3.57)	19,426	0.57	(287,104)	(11.11)	13,953	0.49

Stakeholder Engagement, Investor Relations & Financial Ratios

The Sanghar Sugar Mills Limited (the Company) recognizes and protects the rights of the various stakeholders (internal as well as external) established under relevant laws and regulations and has put in place relevant policies and codes for their protection. The Company maintains sound collaboration relationships with its stakeholders. Procedure for stakeholder's engagement includes communication, good harmony, compliance with laws and regulations and sugarcane growers focused approach which is the key factors for establishment of collaboration relationship with stakeholders. Summary of the rights of the various stakeholders has been discussed below:

Shareholders

Access to shareholder records, enquiries concerning verification of transfer deeds, transfer of share certificates, change of address etc., are directed to the Shares Registrar. We have disclosed essential information to the shareholders and treated them equitably. Shareholders meeting along with timely and accurate reporting to our shareholders are the effective modes of engagements with our shareholders

Regulators

The Company make compliance with laws, rules, regulations and guidelines as directed by the Regulators. Timely, appropriately and accurately disclosures of information, as required by law, are our high priority. We have submitting periodic reports, providing and gives information as and when required.

Customers & Suppliers

The Company receive high-quality services and supplies from our suppliers and ensure that the product we give to our customers should be of high standards. We establish the confidentiality of customer information and redressal their complaints and concerns with honesty and trustworthy. We have maintain a good relationship with our customers and suppliers.

Employees

As a good employer, the Company gives equal employment opportunity, gives performance based remuneration. Having Human Resource policies and procedures, the Company maintains effective communication between the management and the staff. To secure maximum cooperation o fthe employees and to motivate them to give their best. Gives full attention to redressal of complaints & grievances.

Community

The Company acknowledges its social and ethical responsibility to carry out its business in order to keep it safe and protect it for the generations to come. Gives priority to the fair distribution of resources, opportunities and financial assistances. The Company is contributing to the National growth by sharing its revenue with the nation in the form of taxes, rates, duties and other levies.

Financial Reporting & Communication

Communication with the users of financial statements is give high priority. Annual, half yearly and quarterly reports are distributed to the shareholders and provided to other users with in the time specified by the Regulators and also makes it available on the Company's website for the easy access for the shareholders and potential shareholders. There is also an opportunity for individual shareholder to participate at the General Meetings to ensure high level of accountability. The Company notifies information to the Regulators from time to time. This help the shareholders remain connected with the Company. The notifications mainly include Financial Results, Board of Directors meetings, shareholders meetings etc.

Media & Website

The Company disseminates information through print, electronic, social and other web media. The Company is maintaining its website providing complete information about the Company, Investors Relations, Investors Informations, Governance, Policy & Procedures and contact details. This can be accessed through a link www.sangharsugarmills.com

Public Information

Financial analysts, stock brokers, interested investors and financial media desiring information about the Company and its product may contact the Chief Financial Officer and or the Company Secretary at Head Office, Karachi.

Financial Ratios

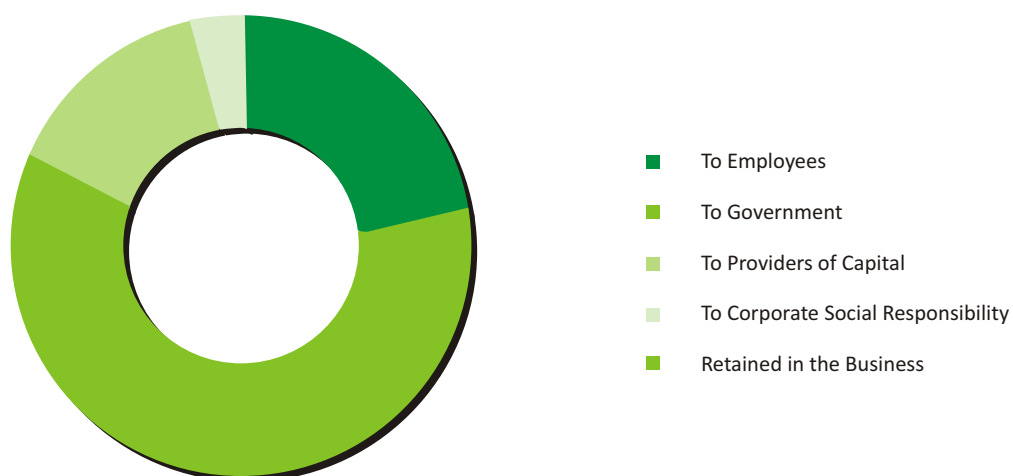
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Profitability Ratios										
Gross Profit Ratio (%)	5.31	4.76	2.89	(2.74)	5.35	8.96	6.69	5.36	6.51	16.42
Net Profit to Sales (%)	(4.04)	(3.57)	0.57	(11.11)	0.49	2.00	0.27	0.25	(0.22)	2.52
Return on Capital Employed (%)	4.93	1.97	11.03	(85.28)	12.82	37.87	36.52	36.52	42.17	47.43
Turnover Ratios										
Inventory Turnover Ratio	6.51	3.78	3.51	3.12	4.59	5.21	8.01	6.19	3.08	1.96
Fixed Assets Turnover Ratio	108.31	98.67	117.05	147.96	193.37	245.93	278.88	383.94	403.72	200.02
Investor Information										
Price Earning Ratio	(1.74)	(3.15)	15.36	(1.55)	36.39	5.31	34.89	39.47	(44.91)	3.39
Market Value per Share	17.34	26.05	24.98	37.35	42.50	41.74	25.50	22.89	24.70	10.71
Book Value per Share	92.76	102.45	111.39	54.02	46.68	37.78	31.04	29.70	27.62	27.43
(Loss) / Earning per Share	(9.94)	(8.28)	1.63	(24.03)	1.17	4.80	0.73	0.58	(0.55)	3.16
Liquidity Ratios										
Current Ratio	0.41	0.47	0.60	0.69	0.91	1.13	0.98	1.03	0.99	1.01
Capital Structure Ratios										
Debt Equity Ratio	0.68	0.86	1.05	3.10	1.11	0.53	0.69	1.05	2.06	3.12
Interest Cover Ratio	0.36	0.14	1.20	(1.75)	1.23	2.11	1.36	1.18	1.00	1.68

Statement of Value Addition and its Distribution

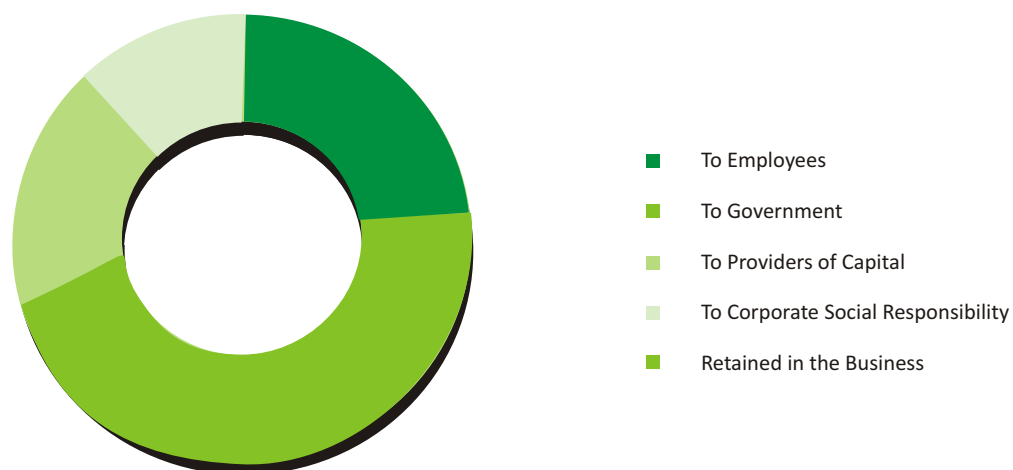
	..... 2020.....		..... 2019.....	
Value Addition	(Rs. '000)	%	(Rs. '000)	%
Turnover Gross	3,790,779	99.856	3,533,707	99.930
Other Income	5,463	0.144	2,479	0.070
	3,796,242	100.000	3,536,186	100.000
Cane Procurement and related expenses	2,252,663	80.161	2,222,014	81.255
Other Expenses	557,504	19.839	512,594	18.745
	2,810,167	100.000	2,734,608	100.000
	986,075	25.975	801,578	22.668
Value Distribution				
Distributed as follows				
To Employees				
– Remuneration	225,244	22.843	228,475	28.503
	225,244		228,475	
To Government				
– Sales Tax / Further Tax & Others	543,488	55.116	386,562	48.225
– Income Tax	50,522	5.124	39,279	4.900
– Deferred Tax	(29,112)	(2.952)	(103,429)	(12.903)
– Cess & Fees	6,293	0.638	7,977	0.995
	571,191		330,389	
To Providers of Capital				
– Finance Cost	153,446	15.561	172,667	21.541
	153,446		172,667	
To Corporate Social Responsibility				
– Charity & Donations	3,968	0.402	2,321	0.290
	3,968		2,321	
Retained in the Business				
– Depreciation & Amortization	150,981	15.311	166,581	20.782
– Loss for the year	(118,755)	(12.043)	(98,855)	(12.333)
	32,226		67,726	
	986,075	100.000	801,578	100.000

Graphical Presentation of Value Distribution

Value Distribution - 2020



Value Distribution - 2019



Independent Auditors' Report

to the Members of Sanghar Sugar Mills Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Sanghar Sugar Mills Limited, ("the Company") which comprise the statement of financial position as at September 30, 2020, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at September 30, 2020 and of the loss, comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 23.1.4 of the annexed financial statements, which describes the uncertainty related to the outcome of legal matters related to minimum sugar cane price and other matters. Our opinion is not qualified in respect of this matter.

Key Audit Matter

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

S.No.	Key audit matter	How the matter was addressed in our audit
1.	<p>Contingencies</p> <p>The Company is under litigations in respect of various matters related to sugar price fixation and other sugar industry matters and other miscellaneous claims in respect of the assets/ payables of the Company as disclosed in note 23 of the annexed financial statements. These contingencies require management's judgments and estimates in relation to the interpretation of relevant laws, notifications and regulations and the recognition and measurement of any provisions that may be required against such contingencies. Due to inherent uncertainties and the time period such matters may take to resolve, the management judgments and estimates in relation to such contingencies may be complex and can significantly impact the annexed financial statements. Accordingly these are considered as key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ● Assessing management's processes to identify new possible litigations, obligations and changes in existing obligations through inquiries from management and review of the minutes of meetings of the Board of Directors and Audit Committee. ● Review of the relevant information including case proceedings, related industry information and correspondences in respect of the ongoing litigations. ● Obtaining confirmation from the legal counsel of the Company to evaluate the status of the pending litigations and view point of the Company's legal counsel thereon. ● Examining legal and professional expenses to confirm that all pending legal matters are identified and disclosed. ● Re-computing the amounts of obligations and recorded liabilities based on available underlying information and confronted parameters. ● Assessing the appropriateness of the related disclosures made in the accompanying financial statements in light of IAS-37 "Provisions and Contingencies".
2.	<p>Recognition of Revenue</p> <p>The company is engaged in the production and sale of sugar, by-products and electricity and recognized revenue there from for the year ended 30 September 2020.</p> <p>We identified recognition of revenue as a key audit matter because revenue is one of the key performance indicators of the Company and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets.</p> <p>(Refer to note 4.12 and 24 to the financial statements).</p>	<p>Our audit procedures to assess the recognition of revenue included the following:</p> <ul style="list-style-type: none"> ● Obtaining an understanding of the process relating to recognition of revenue and assessing the design, implementation and operating effectiveness of key internal controls over recording of revenue. ● Assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards. ● Obtaining an understanding of the nature of the revenue, testing a sample of sales contracts to confirm our understanding and assessing whether or not management's application of IFRS 15 requirements was in accordance with the standard. ● Performing analytical procedures and test of details by selecting sample of transactions for comparing with sales orders, sales invoices, delivery orders and other underlying records. ● Comparing a sample of revenue transactions recorded around the year end with the sales orders, sales invoices, delivery orders and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period. ● Reviewing the adequacy of disclosure as required under applicable financial reporting framework.

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

Management is responsible for the other information. The other information comprises the information included in the Annual report of the Company, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

- Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- In our opinion, no Zakat was deductible at source under Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Mohammad Hanif Razzak.

CHARTERED ACCOUNTANTS

Place: Karachi

Date: January 02, 2021

Statement of Financial Position

As at September 30, 2020

		September 30 2020	September 30 2019
		(Rupees in '000)	
ASSETS	Notes		
NON-CURRENT ASSETS			
Property, plant and equipment	5	2,712,815	2,807,695
Long term deposits	6	20,231	17,323
		2,733,046	2,825,018
CURRENT ASSETS			
Stores, spare parts and loose tools	7	51,573	56,925
Stock-in-trade	8	249,959	604,943
Trade Debts	9	27,924	—
Loans and advances	10	125,193	34,336
Trade deposits & short term prepayments	11	10,526	11,051
Other receivables	12	47,080	47,080
Income tax refundable - net of provision		25,260	23,758
Cash and bank balances	13	69,424	37,662
		606,939	815,755
TOTAL ASSETS		3,339,985	3,640,773
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
20,000,000 shares of Rs.10 each		200,000	200,000
Issued, subscribed and paid up capital	14	119,460	119,460
Unappropriated profit		3,397	67,276
Surplus on revaluation of property, plant & equipment	15	985,251	1,037,118
		1,108,108	1,223,854
NON CURRENT LIABILITIES			
Long term financing	16	187,091	84,560
Lease Liabilities	17	59,741	61,110
Deferred liabilities	18	508,584	519,916
Deferred Government grant	19	704	—
		756,120	665,586
CURRENT LIABILITIES			
Trade and other payables	20	922,401	781,975
Accrued finance cost	21	38,677	57,670
Short term borrowings	22	389,019	797,350
Unclaimed dividend		4,713	8,286
Current portion of long term financing	16	77,922	69,272
Current portion of lease liabilities	17	41,473	36,780
Current portion of deferred Government grant	19	1,552	—
		1,475,757	1,751,333
CONTINGENCIES AND COMMITMENTS	23	—	—
TOTAL EQUITY AND LIABILITIES		3,339,985	3,640,773

The annexed notes 1 to 44 form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer

Statement of Profit or Loss

For the year ended September 30, 2020

	Notes	September 30 2020 (Rupees in '000)	September 30 2019
Sales	24	2,938,182	2,770,439
Cost of sales	25	2,782,021	2,638,661
Gross Profit		156,161	131,778
Trading activities	26	—	—
Distribution cost	27	710	12,698
Administrative cost	28	99,630	91,136
Other operating cost	29	6,684	6,364
		107,024	110,198
Operating Profit		49,137	21,580
Other income	30	5,463	2,479
		54,600	24,059
Finance cost	31	153,446	172,667
Loss before taxation		(98,846)	(148,608)
Taxation	32	19,909	(49,753)
Loss after taxation		(118,755)	(98,855)
Loss per share - Basic and diluted (Rupees)	33	(9.94)	(8.28)

The annexed notes 1 to 44 form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer

Statement of Comprehensive Income

For the year ended September 30, 2020

	Note	September 30 2020 (Rupees in '000)	September 30 2019
Loss after taxation		(118,755)	(98,855)
Other Comprehensive Income			
Items that will not be reclassified to statement of profit or loss			
Remeasurement gain / (loss) on actuarial valuation of staff defined benefit plan	Note 18.3.4	4,238	(427)
Related deferred tax		(1,229)	124
		3,009	(303)
Total Comprehensive Loss for the year		<u>(115,746)</u>	<u>(99,158)</u>

The annexed notes 1 to 44 form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer

Statement of Changes in Equity

For the year ended September 30, 2020

	Issued, Subscribed & Paid-up Capital	Unappropriated profit	Capital Reserve - Surplus on revaluation of property, plant & equipment	Total
	..... (Rs in '000)			
Balance as at October 01, 2018	119,460	111,367	1,099,872	1,330,699
Total Comprehensive loss for the year ended September 30, 2019	—	(99,158)	—	(99,158)
Incremental depreciation charged on surplus on revaluation of property, plant & equipment - net of deferred tax	—	55,067	(55,067)	—
Effect of change in tax rate directly credited to revaluation surplus	—	—	(7,687)	(7,687)
Balance as at September 30, 2019	<u>119,460</u>	<u>67,276</u>	<u>1,037,118</u>	<u>1,223,854</u>
Balance as at October 01, 2019	119,460	67,276	1,037,118	1,223,854
Total Comprehensive loss for the year ended September 30, 2020	—	(115,746)	—	(115,746)
Incremental depreciation charged on surplus on revaluation of property, plant & equipment - net of deferred tax	—	51,867	(51,867)	—
Balance as at September 30, 2020	<u>119,460</u>	<u>3,397</u>	<u>985,251</u>	<u>1,108,108</u>

The annexed notes 1 to 44 form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer

Statement of Cash Flows

For the year ended September 30, 2020

	Notes	September 30 2020 (Rupees in '000)	September 30 2019
Loss before taxation		(98,846)	(148,608)
Adjustment for non cash charges and other items:			
Depreciation	5.1.2	143,307	148,777
Depreciation on right-of use assets	5.3	7,674	9,033
Amortization of deferred cost		—	8,771
Employees retirement benefits expense	18.3.3 & 18.4.3	19,628	15,023
Provision for slow moving items & obsolescence	7.1	1,150	950
Provision for loans & advances	10.3	—	953
Provision for market committee fee	18.2	3,873	4,909
Gain on sale of Property, plant & equipment	5.1.3	(1,022)	(1,399)
Finance cost	31	153,446	172,667
		328,056	359,684
Cash flow from operating activities before adjustment of working capital changes		229,210	211,076
Changes in Working capital			
(Increase) / Decrease in current assets			
Stores, spare parts and loose tools		4,202	(2,276)
Stock - in - trade		354,984	185,101
Trade debts		(27,924)	28,726
Loans and advances		(90,857)	3,552
Trade deposits & Short term prepayments		525	1,362
Other receivables		—	113,914
		240,930	330,379
Increase in current liabilities			
Trade and other payables		140,426	93,902
		610,566	635,357
Employees retirement benefits paid during the year		(2,712)	(8,367)
Finance cost paid during the year		(172,439)	(144,032)
(Decrease) / Increase in long term deposits		(2,908)	1,500
Income tax paid during the year		(50,522)	(39,279)
		(228,581)	(190,178)
Net cash inflow from operating activities		381,985	445,179

	Note	September 30 2020 (Rupees in '000)	September 30 2019
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant & equipment		1,413	2,474
Additions to property, plant and equipment		(29,144)	(57,164)
Net cash outflow from investing activities		(27,731)	(54,690)
CASH FLOW FROM FINANCING ACTIVITIES			
Obtained / (repayment) of long term financing - net		113,437	(87,895)
Payments of lease liabilities		(24,025)	(42,212)
Decrease in dividend payable during the year		(3,573)	(5,658)
Net cash inflow / (outflow) from financing activities		85,839	(135,765)
Net increase in cash and cash equivalents		440,093	254,724
Cash and cash equivalents at beginning of the year		(759,688)	(1,014,412)
Cash and cash equivalents at end of the year	34	(319,595)	(759,688)

The annexed notes 1 to 44 form an integral part of these financial statements.

Chief Executive

Director

Chief Financial Officer

Notes to the Financial Statements

For the year ended September 30, 2020

1 COMPANY AND ITS OPERATIONS

- 1.1** The Company is a public limited Company incorporated in 1986 in Pakistan and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Office No. 204, 2nd Floor, Clifton Centre, Block 5, Clifton, Karachi.
- 1.2** The Company is principally engaged in the manufacture and sale of sugar and sale of its by-products i.e. molasses and bagasse. The Company has also installed bagasse fired transmission equipment to sell surplus electric power. The manufacturing facilities are located at Sanghar Sindhri Road, Deh Kehore, District Sanghar in the province of Sindh. The total area of industry land / manufacturing facilities which includes the main factory is spread over 320.625 Acres.
- 1.3** The World Health Organisation has declared COVID-19 a global pandemic. The COVID 19 outbreak developed rapidly thereafter with a significant number of COVID-19 cases reported globally. This has not only endangered human lives but has also adversely affected the global economy. It has resulted in consequences on health and society and on economy affecting the earnings and cash flows of businesses, after the announcement of lock-downs by the government authorities, resulting in the closure of business operations except for specifically exempted industries.

After implementing all the necessary Standard Operating Procedures (SOPs) to ensure safety of its employees, the Company resumed its operations and took all the necessary steps to ensure safe and smooth continuation of its business activities for the purpose of maintaining business performance despite a slackening economy.

The lockdown had caused disruptions in supply to end consumers resulting in a decline in sales as a whole. However, to uplift the economy, the State of Bank Pakistan took measures like significantly reducing the benchmark policy interest rate and introduction of various financing schemes to support the industrial sectors some of which were availed by the Company and which helped in managing the liquidity requirements partly.

The Company is still monitoring the COVID19 situation and development across the globe and has made an assessment of the accounting implications of these developments on these financial statements, including but not limited to the following areas:

- Realization of Receivables and expected credit losses under IFRS 9, 'Financial Instruments';
- Impairment of tangible and intangible assets under IAS 36, 'Impairment of non financial assets';
- Net realizable value of inventory under IAS 2, 'Inventories';
- Provisions and contingent liabilities under IAS 37, including onerous contracts; and
- Going concern assumption used for the preparation of these financial statements.

According to management's assessment, there is no significant accounting impact of the effects of COVID-19 in these financial statements. The Management believes that the going concern assumption of the Company remains valid.

The management also believes that due to the pandemic, the Company's operations, financial position and results were affected only temporarily and believes that as normalcy comes about, this impact will start to recede.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

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

International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017;

Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and

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

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

2.2 Accounting Convention

These financial statements have been prepared under the historical cost convention, except for the following:

- employee retirement benefits that are based on actuarial valuation;
- items of property, plant and equipment carried at revalued amounts;
- stock in trade when valued at net realizable value;
- right-of-use assets and corresponding lease liabilities in accordance with IFRS-16; and
- Long term loan at discount rate with differential being recognized as Government grant

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupee which is the Company's functional and presentation currency.

2.4 STANDARDS, AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARD AND INTERPRETATIONS

2.4.1 Standards, interpretations and amendments to published approved accounting standards that became effective during the year

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except that the Company has adopted the following accounting amendments and interpretations of IFRSs which became effective for the current year:

Standards, amendments or interpretations and improvements to accounting standards issued by the IASB (2015 - 2017 Cycle)

- IFRS 9 - Prepayment Features with Negative Compensation (Amendments);
- IFRS 11 - Re-measurement of previously held interest (Amendments);
- IFRS 14 - Regulatory Deferral Accounts;
- IFRS 16 - Leases;
- IAS 12 - Income Taxes: Income tax consequences of payments on financial instruments classified as equity;
- IAS 19 - Plan Amendment, Curtailment or Settlement (Amendments);
- IAS 23 - Borrowing costs – Borrowing costs eligible for capitalization;
- IAS 28 - Long-term Interest in Associates and Joint Ventures (Amendments); and
- IFRIC 23 - Uncertainty Over Income Tax Treatments.

The adoption of the above standards, amendments, interpretations and improvements to accounting standards did not have any material effect on the Company's financial statements except for IFRS 16. The impact of adoption of IFRS 16 along with its amendments is described below:

IFRS 16 - Leases

IFRS 16 replaces the previous lease standard: IAS 17 Leases. It resulted in almost all leases being recognised in the statement of financial position as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right-to-use the leased item) and a lease liability to pay rentals are recognised. The only exceptions are short term and low value leases. The Company has a lease which is classified as short term and very low value, therefore, there is no material impact on the financials of the Company.

The Company applied IFRS 16 using simplified modified retrospective approach and recognized right-of-use assets and corresponding lease liabilities in relation to leases which had previously been classified as 'operating lease' with effect from July 01, 2019 so the comparative information presented for 2019 has not been restated i.e. it is presented, as previously reported, under IAS 17 and related interpretations. In applying IFRS 16 for the first time, the Company has used the various practical expedients permitted by IFRS 16 including the use of a single discount rate to a portfolio of leases with reasonably similar characteristics, exclusion of initial direct costs for the measurement of the right-of-use assets at the date of initial application; and the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Due to adoption of IFRS 16 the company has recognized following amounts of Right of Use Assets and corresponding lease liabilities determined based on present value of future lease rentals. The accounting policies relating to the Company's right-of-use assets and lease liabilities are disclosed in notes 4.1.2 and 4.9. There is no impact on financial statements except reclassification from operating fixed asset to right-of-use assets.

Standards, Interpretations and Amendments not yet effective

The following are the new standards, amendments to existing approved accounting standards and new interpretations that will be effective for the periods beginning on or after October 01, 2020 and are not likely to have an material impact on the financial statements of the Company:

- i) IAS 1 Presentation of Financial Statements & Accounting Policies, IAS 8 Changes in Accounting Estimates and Error - Amendments regarding the definition of material (Effective for annual periods beginning on or after 1 January 2020)

The IASB issued Definition of Material (Amendments to IAS 1 and IAS 8) in October 2018 to clarify and align the definition of material. The new definition states that "information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions of primary users of general purpose financial statements. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRS.

- ii) IAS 1 Presentation of Financial Statements & Accounting Policies -Amendments regarding the classification of liabilities (Effective for annual periods beginning on or after 1 January 2023)

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of this amendments, the requirement for a right to be unconditional has been removed and the amendments specify that the conditions which exist at the end of the reporting period will be used to determine if a right to defer settlement of a liability exists, i.e., the amendments requires that a right to defer settlement must have substance and exist at the end of the reporting period. Management expectations about events after the reporting date, for example on whether a covenant will be breached, or whether early settlement will take place, are not relevant. The amendments clarify the situations that are considered settlement of a liability.

- iii) IAS 16 Property, Plant and Equipment- Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use (Effective for annual periods beginning on or after 1 January 2022)

The amendment to the standard prohibits to deduct from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss. The amendments apply retrospectively, but only to items of PPE made available for use on or after the beginning of the earliest period presented in the financial statements in which the company first applies the amendment.

- iv) IAS 37 Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding the cost of fulfilling a contract when assessing whether a contract is onerous (Effective for annual periods beginning on or after 1 January 2022)

Cost of fulfilling a contract is relevant when determining whether a contract is onerous. The amendment clarifies that costs of fulfilling a contract are costs that relate directly to a contract. Such costs can be Incremental costs of fulfilling a contract, or an allocation of other costs that relate directly to fulfilling contracts. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

- v) IFRS 3 Business Combinations Amendments to clarify the definition of a business (Effective for annual periods beginning on or after January 01, 2020)

Distinguishing between a business and a group of assets is important because an acquirer recognizes goodwill only when acquiring a business. The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the existing definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance. The amendments include an election to use a concentration test.

- vi) IFRS 16 Leases -Amendment to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification (Effective for annual periods beginning on or after June 01, 2020)

Under existing requirements of IFRS 16, lessees are required to assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate. However, the amendment permits lessees, as a practical expedient, not to assess whether particular rent concessions occurring as a direct consequence of the covid-19 pandemic are lease modifications and instead to account for those rent concessions as if they are not lease modifications. This optional exemption gives timely relief to lessees and enables them to continue providing information about their leases that is useful to investors. The amendment does not affect lessors.

- vii) Amendments to Conceptual Framework for Financial Reporting (Effective for annual periods beginning on or after 1 January 2020)

On March 29, 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately and contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of

individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallize. The companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of January 01, 2020, unless the new guidance contains specific scope outs.

viii) **IFRS 9 Financial Instruments - Amendments resulting from Annual Improvements to IFRS Standards 2018–2020 (Effective for annual periods beginning on or after January 01, 2022)**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test to assess whether there has been a modification or substantial modification to a financial liability. An entity should only include fees paid or received between the entity (the borrower) and the lender and fees paid or received on the other's behalf.

ix) **IFRS 16 Leases - Amendments resulting from Annual Improvements to IFRS Standards 2018–2020 (Effective for annual periods beginning on or after January 01, 2022)**

The amendment removes reference to the reimbursement of leasehold improvements by the lessor in the initially illustrated in Example 13 in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

x) **There are certain other standards, amendments and interpretations to the published standards that are not yet effective and also are not relevant to the Company, therefore, have not been detailed in these financial statements.**

Standards not yet notified by Securities and Exchange Commission of Pakistan

Following are the new standards issued by International Accounting Standards Board which are not yet notified by Securities and Exchange Commission of Pakistan.

International Financial Reporting Standards (IFRSs)	IASB effective date annual periods beginning on or after
IFRS 1 - First Time Adoption of IFRS	January 1, 2022
IFRS 17 - Insurance Contracts	January 1, 2023

3 Critical accounting estimates, judgments and assumptions

The preparation of these financial statements in conformity with the approved accounting standards requires the management to make judgments, estimates and assumptions that affects the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under that circumstances, the results of which form the basis of making judgment about carrying value of assets and liabilities that are not readily apparent from other sources. However, uncertainty about these assumptions and estimates could result in outcome that require material adjustment to the carrying amount of the asset or liability affected in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and any future period affected.

Judgments made by the management in the application of approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the following paragraphs of these note.

In the process of applying the accounting policies, management has made the following estimates, judgments and assumptions which are significant to the financial statements:

– Taxation :

In making the estimates of the income tax liabilities, the management considers current income tax law and decisions of appellate authorities. Deferred tax estimate is made considering future applicable tax rate.

– **Employees Retirement Benefits:**

Certain actuarial assumptions have been adopted as disclosed in these financial statements for valuation of present value of defined benefit obligation. Any changes in these assumptions in future years might effect gains and losses in those years. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates.

– **Property, Plant and Equipment and intangible assets**

The management determines the estimated useful lives and related depreciation / amortisation charge for its property, plant and equipment / intangible assets. The management reviews the value of assets for possible impairment on financial year end. Any change in the estimate in the future years might effect the carrying amounts of the respective items of property, plant and equipment / intangible assets with a corresponding effect on the depreciation / amortisation charge and impairment.

– **Stock in trade**

The Company reviews the net realizable value of stock in trade to assess any diminution in the respective carrying values. Net realizable value is determined with reference to the estimated selling price in the ordinary course of business less the estimated cost necessary to make the sale.

– **Contingencies**

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future event(s).

– **Expected credit losses against trade debts, deposits, advances and other receivables**

The Company reviews the recoverability of its trade debts, advances and other receivables to assess amount of doubtful debts and expected credit losses required there against periodically. While determining the losses, the Company considers financial health, market information, aging of receivables, credit worthiness, credit rating, past records and business relationship.

– **Slow Moving Stores and Obsolescence**

In making estimates of quantum of slow moving items and obsolescence, the aging analysis, current condition of various items and expected use in future are considered.

– **Impairment against non financial assets**

The Company reviews carrying amount of assets periodically to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated and impairment losses are recognized in the statement of profit or loss.

– **Leases**

The Company uses judgments and estimates in the measurement of right of-use assets and corresponding lease liabilities with respect to discount rates, lease terms including exercise of renewal and termination options etc.

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Property, plant and equipment

4.1.1 Operating Assets

Owned assets

Recognition & Measurement

An item of property, plant & equipment is recognised as an asset if and only if, the future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. These are subsequently stated at cost less accumulated depreciation and

impairment, if any, except for free hold land, buildings and plant and machinery which are stated at revalued amounts.

Depreciation

Depreciation is charged, on a systematic basis over the economic useful life of the asset, on reducing balance method, which reflects the pattern in which the assets economic benefits are consumed by the Company, at the rates specified in respective note. Depreciation on additions is charged from the month in which the assets are put to use while no depreciation is charged in the month in which the assets are disposed off.

Revaluation Surplus - owned assets

Revaluation of freehold land and building on freehold land is carried out with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value. Any revaluation increase in the carrying amount of freehold land, factory and non-factory buildings on freehold land and plant and machinery is recognized, net of tax, in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment" except to the extent that it reverses a revaluation decrease / deficit for the same asset previously recognized in statement of profit or loss, in which case the increase is first recognized in statement of profit or loss to the extent of the decrease previously charged. Any decreases that reverse previous increases of the same asset are first recognized in other comprehensive income to the extent of the remaining surplus attributable to the asset, all other decreases are charged to statement of profit or loss. The revaluation reserve is not available for distribution to the Company's shareholders. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to statement of profit or loss account and depreciation based on the asset's original cost, net of tax, is reclassified from revaluation reserve to the unappropriated profit.

Subsequent Cost

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal; or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in the statement of profit or loss when the item is derecognized.

4.1.2 Right-of-use assets

The Company recognizes right of use assets at the commencement date of the lease. (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment lossess, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets include amount of lease liabilities recognized, initial direct costs incurred, the lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased assets at the end of the lease term, the recognized right-of-use assets are depreciated using reducing balance method. Right-of-use assets are subject to impairment. Right-of-use assets are depreciated on a reducing balance basis over the estimated useful lives of the assets.

If ownership of the leased asset, transfers of the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of an asset.

4.1.3 Capital work-in-progress

Capital work-in-progress is stated at cost accumulated up to the reporting date less impairment if any and represents expenditure incurred on property, plant and equipment in the course of construction / installation / implementation / development including borrowing cost on eligible assets. These

expenditures are transferred to relevant category of property, plant and equipment as and when the assets become available for use.

4.2 Intangible Asset

Computer software is stated at cost less accumulated amortization. Software costs are only capitalized when it is probable that future economic benefits attributable to the software will flow to the Company and the same is amortized, on a monthly proportionate basis applying the straight line method at the rate stated in respective note to these financial statements.

4.3 Deferred Cost

Deferred cost is the cost / expense incurred whose benefits are expected to be obtained beyond the period of one year. Deferred cost is being amortized over the estimated period of consuming benefits which are five years.

4.4 Stores, spare parts and loose tools

These are valued at cost calculated on a moving average basis less provision for obsolescence, and slow moving items, except for the items in transit, which are valued at costs accumulated up to the reporting date.

4.5 Stock in trade

Stock of sugar is valued at lower of the weighted average cost and net realizable value. By-products i.e. Molasses and Baggasse are valued at net realizable value (NRV). Cost in relation to work in process and finished goods consists of material cost, proportionate manufacturing overheads.

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

4.6 Trade debts, loans, deposits and other receivable

Trade debts, loans, deposits and other receivables are stated initially at fair value and subsequently measured at amortised cost using the effective interest rate method. Provision is made on the basis of lifetime ECLs that result from all possible default events over the expected life of the trade debts, loans and other receivables. Bad debts are written off when considered irrecoverable.

4.7 Trade and other payables

Liabilities for trade and other payables are recognized initially at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company and subsequently measured at amortised cost.

4.8 Employees Retirement benefits:

4.8.1 Defined benefit plan - Gratuity

The Company operates an unfunded gratuity scheme for all employees eligible to the scheme with qualifying service period. Provision is made annually to cover the obligation on the basis of actuarial valuation carried out using Projected Unit Credit Method and is charged to the statement of profit or loss, related details of which are given in the respective note to the financial statements. Remeasurement gains or losses are recognized in full as and when arise and are charged to other comprehensive income.

4.8.2 Defined benefit plan - Leave Encashment

The Company provides for compensated absences for all eligible employees in the period in which these are earned in accordance with the terms of employment. Provision is made annually to cover the obligation on the basis of actuarial valuation carried out using Projected Unit Credit Method and is charged to statement of profit or loss, related details of which are given in the respective note to the financial statements. Remeasurement gains or losses are recognized in full as and when arise and are charged to other comprehensive income.

4.9 Lease liability

Lease liabilities are initially measured at the present value of the lease payments discounted using the interest rate implicit in the lease. If the implicit rate cannot be readily determined, the Company's incremental borrowing rate is used. Subsequently these are increased by interest, reduced by lease payments and remeasured for lease modifications, if any.

Liabilities in respect of certain short term and low value leases are not recognised and payments against such leases are recognised as expense in profit or loss.

4.10 Taxation**4.10.1 Current**

The charge for current taxation is based on taxable income at the current rate of taxation (after taking into account applicable tax credits, rebates and exemptions available, if any) or minimum tax and alternate corporate tax under sections 113 & 113 (C) of the Income Tax Ordinance, 2001, respectively whichever is higher. The charge for current tax also includes adjustments, where considered necessary, to provision for taxation made in previous years arising from assessments framed during the year for such years.

4.10.2 Deferred

Deferred tax is recognized using the liability method in respect of all temporary differences arising between the carrying amount of assets and liabilities in the financial statements and their tax base and is recognized on the basis of the expected manner of the realization or settlement of the carrying amount of assets and liabilities using the tax rates enacted or substantially enacted at the reporting date. Deferred tax asset is recognized to the extent that it is probable that the future taxable profit will be available against which the deductible temporary differences can be utilized. Deferred tax asset is reduced to the extent it is no longer probable that the related tax benefit will be realized.

4.10.3 Sales tax and Federal Excise Duty (FED)

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

- Where amount incurred on a purchase of asset or service is not recoverable from the taxation authorities, in which case the tax / duty is recognized as part of the cost of the acquisition of the assets or as part of the expense item as applicable; and
- Receivables or payables that are stated with the amount of Sales tax / FED included.

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

4.11 Ijarah Lease contracts

Leases, where a significant portion of the risk and rewards of ownership are retained by the lessor, are classified as Ijarah lease. Payments made under the Ijarah lease agreements are charged to statement of profit or loss.

4.12 Revenue recognition

Revenue from sale of goods is recognized when or as performance obligations are satisfied by transferring control of a promised good or service to a customer, and the control transfers at a point in time, i.e. at the time the goods are dispatched / shipped to customer. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, returns rebates and government levies.

Electric power supply is recognized when the supply of power is passed on through transmission lines.

Rental income is recorded on an accrual basis.

Mark-up on growers' loans is accounted for in line with the recovery of the respective loan due to exigencies involved in such matters.

4.13 Foreign currency transaction and translation

Transactions in foreign currencies are recorded into reporting currency at the rates of exchange prevailing on the date of transactions. Monetary assets and liabilities denominated in foreign currencies are subsequently translated into reporting currency using year-end spot foreign exchange rates. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. Exchange differences on foreign currency translations are included in the statement of profit or loss.

4.14 Provisions and contingencies

Provisions are recognized when the Company has present legal or constructive obligation as a result of past event, and it is probable that outflow of economic benefits will be required to settle the obligation and reliable estimates can be made. Where the outflow of resources embodying economic benefits is not probable, a contingent liability is disclosed, unless the possibility of outflow is remote. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

4.15 Borrowing cost

Mark-up, interest and other charges on borrowings are capitalized up to the date of commissioning of the respective qualifying assets. All other mark-up, interest, profit and other charges are charged to the statement of profit or loss.

4.16 Financial Instruments

The Company classifies its financial assets in to following three categories:

- Fair value through other comprehensive income (FVOCI);
- Fair value through profit or loss (FVTPL); and
- Measured at amortized cost.

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

4.16.1 Subsequent measurement

Debt Investments at FVOCI: These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss. Other net gains and losses are recognized in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit or loss.

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

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

Financial assets measured at amortized cost: These assets are subsequently measured at amortized cost using the effective interest rate method. The amortized cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss.

4.16.2 Non-derivative financial assets

All non-derivative financial assets are initially recognized on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes trade debts, advances, other receivables and cash and cash equivalent. The Company derecognizes the financial assets when the contractual rights to the

cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

4.16.3 Financial liabilities

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortized costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortized cost using the effective yield method.

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

4.17 Offsetting of financial assets and liabilities

All financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if the Company has a legal enforceable right to set off the recognized amounts and intends either to settle on net basis or to realize the assets and settle the liabilities simultaneously.

4.18 Cash and cash equivalents

Cash and cash equivalents are carried at cost. For the purpose of the cash flow statement, cash and cash equivalents consist of cash in hand and bank balances net of short term borrowings.

4.19 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognized in the financial statements in the period in which these are approved. Transfer between reserves made subsequent to the statement of financial position date is considered as a non-adjusting event and is recognized in the financial statements in the period in which such transfers are made.

4.20 Government Grant

Government grant is recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate are expensed out.

4.21 Impairment of assets

4.21.1 Financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECLs) in respect of financial assets measured at amortized cost.

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

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

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

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

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

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

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

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

The adoption of the expected loss approach has not resulted in any material change in impairment provision for any financial asset.

4.21.2 Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets and inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are Companied together into the smallest Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Companies of assets. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the statement of profit or loss

		2020	2019
		(Rupees in '000)	
5	PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	Note - 5.1	2,533,941	2,654,914
Capital work-in-progress	Note - 5.2	9,873	3,455
Right of use assets	Note - 5.3	169,001	149,326
		<u>2,712,815</u>	<u>2,807,695</u>

5.1 Operating Fixed Assets

Net carrying value as at September 30, 2020	OWNED								OWNED
	Free hold land	Factory Building on free hold land	Non-Factory Building on free hold land	Plant and Machinery	Furniture and Fittings	Vehicles	Computer Equipment & Appliances	Stores & Spares held for capital expenditure	Grand Total
Rupees in '000									
Opening Net Book Value (NBV)	115,000	206,944	50,457	2,258,234	1,250	15,625	3,029	4,375	2,654,914
Direct Additions at Cost	—	—	—	—	200	3,952	—	—	4,152
Transfer from Capital Work in Progress	—	3,527	—	15,047	—	—	—	—	18,574
Disposal at NBV	—	—	—	—	—	(392)	—	—	(392)
Depreciation charge for the year	—	(20,782)	(5,046)	(112,975)	(130)	(3,817)	(338)	(219)	(143,307)
Closing Net Book Value	115,000	189,689	45,411	2,160,306	1,320	15,368	2,691	4,156	2,533,941
Gross carrying value as at September 30, 2020									
Cost	7,043	159,196	12,365	1,479,897	6,869	39,239	13,240	5,867	1,723,715
Accumulated Depreciation	—	(51,181)	(10,220)	(430,276)	(5,549)	(23,870)	(10,549)	(1,711)	(533,356)
	7,043	108,015	2,145	1,049,621	1,320	15,368	2,691	4,156	1,190,359
Revaluation	107,957	177,127	83,380	1,352,160	—	—	—	—	1,720,624
Incremental Depreciation	—	(95,453)	(40,114)	(241,475)	—	—	—	—	(377,042)
	107,957	81,674	43,266	1,110,685	—	—	—	—	1,343,582
Total Net Book Value	115,000	189,689	45,411	2,160,306	1,320	15,368	2,691	4,156	2,533,941
Net carrying value as at Sep 30, 2019									
Net carrying value as at Sep 30, 2019	OWNED								OWNED
	Free hold land	Factory Building on free hold land	Non-Factory Building on free hold land	Plant and Machinery	Furniture and Fittings	Vehicles	Computer Equipment & Appliances	Stores & Spares held for capital expenditure	Grand Total
Rupees in '000									
Opening Net Book Value (NBV)	115,000	229,938	56,063	2,287,998	1,389	14,091	2,533	4,605	2,711,617
Direct Additions at Cost	—	—	—	—	—	5,889	810	—	6,699
Transfer from Capital Work in Progress	—	—	—	59,080	—	—	—	—	59,080
Transfer from leased assets / Ijarah lease	—	—	—	27,370	—	—	—	—	27,370
Disposal at NBV	—	—	—	—	—	(1,075)	—	—	(1,075)
Depreciation charge for the year	—	(22,994)	(5,606)	(116,214)	(139)	(3,280)	(314)	(230)	(148,777)
Closing Net Book Value	115,000	206,944	50,457	2,258,234	1,250	15,625	3,029	4,375	2,654,914
Gross carrying value as at Sep 30, 2019									
Cost	7,043	155,669	12,365	1,464,850	6,669	37,025	13,240	5,867	1,702,729
Accumulated Depreciation	—	(39,748)	(9,944)	(376,235)	(5,419)	(21,400)	(10,211)	(1,492)	(464,449)
	7,043	115,921	2,421	1,088,615	1,250	15,625	3,029	4,375	1,238,279
Revaluation	107,957	177,127	83,380	1,352,160	—	—	—	—	1,720,624
Incremental Depreciation	—	(86,104)	(35,344)	(182,541)	—	—	—	—	(303,989)
	107,957	91,023	48,036	1,169,619	—	—	—	—	1,416,635
	115,000	206,944	50,457	2,258,234	1,250	15,625	3,029	4,375	2,654,914
Depreciation rate % per annum									
	—	10	10	5	10	20	10 & 20	5	

5.1.1 The Company's freehold land, building and plant and machinery were revalued on September 30, 2018, by independent professional valuator M/s Joseph Lobo (Pvt) Limited at fair market value. The resultant surplus on revaluation has been credited to the surplus on revaluation of property, plant & equipment.

5.1.2 Depreciation charge for the year has been allocated as under:

		2020 (Rupees in '000)	2019
Cost of Sales	Note 25	133,633	139,207
Administrative Cost	Note 28	9,674	9,570
		143,307	148,777

5.1.3 The following Property, plant and equipments were disposed during the year

Particulars	Cost	Written Down Value	Sale Proceeds	Gain on Disposal	Mode of Disposal	Purchaser
.....Rupees in '000.....						
Five Motorcycles	315	155	315	160	Company Policy	Company's Field Staff (Cane Inspectors)
Toyota Corolla Reg No. AWL-080	1,424	236	1,098	862	Insurance Claim	Adamjee Insurance Company Ltd.
September 30, 2020	1,739	392	1,413	1,022		
September 30, 2019	3,183	1,075	2,474	1,399		

5.2 Capital work-in-progress

	Cost at October 01	Capital expenditure incurred during the year	Transferred to operating fixed assets	Cost at September 30
..... Rupees in '000				
Plant & Machinery	—	15,047	(15,047)	—
Factory Building	—	3,527	(3,527)	—
Waste Water Treatment Plant	3,455	6,418	—	9,873
As at September 30, 2020	3,455	24,992	(18,574)	9,873
As at September 30, 2019	15,000	47,535	(59,080)	3,455

5.3 Right of use assets

	2020			2019		
	Plant and Machinery	Vehicles	Total	Plant and Machinery	Vehicles	Total
..... Rupees in '000						
Opening Net Book Value (NBV)	149,326	—	149,326	182,799	—	182,799
Additions at Cost (Note 17)	19,849	7,500	27,349	—	—	—
Transfer to Own assets	—	—	—	(24,440)	—	(24,440)
Depreciation charge for the year	(7,549)	(125)	(7,674)	(9,033)	—	(9,033)
Closing Net Book Value	161,626	7,375	169,001	149,326	—	149,326
Gross carrying value as at Sep 30,						
Cost	181,757	7,500	189,257	161,908	—	161,908
Accumulated Depreciation	(20,131)	(125)	(20,256)	(12,582)	—	(12,582)
Closing Net Book Value	161,626	7,375	169,001	149,326	—	149,326
Depreciation rate % per annum	5	20		5	20	

		2020 (Rupees in '000)	2019
6	LONG TERM DEPOSITS		
	Considered good:		
	Finance lease deposits	18,730	15,995
	Diminishing Musharka deposit Note 16.4	792	792
	Other security deposits	709	536
		<u>20,231</u>	<u>17,323</u>
7	STORES, SPARE PARTS AND LOOSE TOOLS		
	Stores	31,252	35,332
	Spare parts	37,237	37,402
	Loose tools	2,790	2,747
		<u>71,279</u>	<u>75,481</u>
	Provision for slow moving items and obsolescence Note 7.1	19,706	18,556
		<u>51,573</u>	<u>56,925</u>
7.1	Reconciliation of provision for slow moving and obsolete items		
	Opening balance at the beginning	18,556	17,606
	Charge for the year Note 29	1,150	950
	Closing balance at the end	<u>19,706</u>	<u>18,556</u>
8	STOCK-IN-TRADE		
	Sugar Note 8.1 & 25	247,853	602,086
	Sugar in process Note 25	1,542	1,268
	Molasses in process	43	89
	Baggasse	521	1,500
		<u>249,959</u>	<u>604,943</u>
8.1	The closing stock of sugar having carrying value of Rs. 236,065 thousand (2019: Rs. 595,619 thousand) has been pledged against cash finance obtained from Banking Companies.		
		2020	2019
		(Rupees in '000)	
9	TRADE DEBTS		
	Local Sales - Unsecured, Considered good under contracts	27,924	—
		<u>27,924</u>	<u>—</u>

		2020 (Rupees in '000)	2019
10 LOANS AND ADVANCES			
Interest free			
Loans to Employees - Other than CEO, Directors & Executives	Note 10.1	2,645	2,087
Un-Secured			
Advances to			
- Employees against salaries		454	506
- Contractors and suppliers		10,047	8,798
- Growers Considered good - interest free	Note 10.2	36,379	22,945
Considered good - interest bearing	Note 22.2	75,668	—
Considered doubtful	Note 10.3	7,705	7,878
		119,752	30,823
Impairment allowance against doubtful growers advances		7,705	7,878
		112,047	22,945
		125,193	34,336

10.1 Loans have been given to employees for the purchase of house hold equipments and housing assistance in accordance with the terms of the employments and are repayable in the different monthly installments. These are usually against their balances of retirement benefits.

10.2 The Company makes advances to growers in form of cash payments and in shape of fertilizers / seeds, which are adjustable against the supplies of sugarcane during the following season.

10.2.1 It includes an amount of Rs. Nil (2019: Rs. 6,722 thousand) in respect of due from related parties. The maximum month end aggregate amount due from related parties during the year was Rs. 1,760 thousand (2019: Rs. 8,686 thousand).

		2020 (Rupees in '000)	2019
10.2.2 Aging analysis of due from related parties is as follows:			
Upto three months		—	6,722
		—	6,722
10.3 Reconciliation of impairment allowance against doubtful growers advances			
Opening balance		7,878	6,925
(Reversal) / Charge for the year	Note 30 & 29	(173)	953
Closing balance		7,705	7,878

		2020 (Rupees in '000)	2019
11	TRADE DEPOSITS & SHORT TERM PREPAYMENTS		
	Trade Deposits		
	Bank Guarantee Margin	7,500	7,500
	Others	5	75
		7,505	7,575
	Short Term Prepayments		
	Prepaid Insurance	1,306	1,292
	Prepaid Rent	1,216	1,706
	Labour Court - Hyderabad	499	478
		3,021	3,476
		10,526	11,051
12	OTHER RECEIVABLES		
	Considered Good		
	Subsidy due from Provincial Government	47,080	47,080
	Road Cess receivable	—	—
		47,080	47,080
	Considered doubtful		
	Inland freight subsidy receivable	18,713	18,713
	Further sales tax refundable	8,558	8,558
		27,271	27,271
	Impairment allowance against doubtful	(27,271)	(27,271)
		47,080	47,080

12.1 This represents the subsidy on export of sugar receivable from the Provincial government.

12.2 This represents receivable of Mill & Growers share of Sugarcane (Development) Cess for the crushing season 2014-15 amounting to Rs.3.613 million . The Company has paid the Cess and as per the notification issued by the Agriculture, Supply & Prices Department, Government of Sindh, the Company has filed documentation in this respect in the relevant department for refund of the said Cess. During the previous year the Company has net-off the amount receivable against its corresponding liability, to be payable to growers. The outcome of the same is awaited.

12.3 These were the receivable from the Government of Pakistan through Trade Development Authority of Pakistan. Total receivable in this respect amounted to Rs. 21,703 thousands; however an amount of Rs. 2,990 thousand relating to the export sales of year 2013-14, was not accounted for in the books as a matter of prudence. Further, due to uncertainties regarding the recoverability of the subsidy, and as a matter of prudence, an impairment allowance has been made against the amount of Inland Freight Subsidy already recorded.

12.4 This represent Further Sales Tax of one percent on sales to unregistered persons. The Company paid Further Tax in the monthly Sales Tax & Federal Excise Returns for the month of June 2013 amounting to Rs. 764 thousand and July 2013 amounting to Rs. 3,519 thousand on buyers behalf which aggregated to Rs. 4,283 thousand and not received by the buyers. In addition, an amount of Rs. 4,275 thousand on account of Further Tax at the rate of two percent on sales to unregistered persons was again been paid by the Company and not received from the buyers. Further, due to uncertainties regarding the recoverability, and as a matter of prudence, an impairment allowance has been made against the amount of Further Tax already recorded.

			2020 (Rupees in '000)	2019
13	CASH AND BANK BALANCES			
	Cash in hand		238	204
	Cash at banks			
	In current accounts	Note 13.1	65,547	38,532
	In current account - Linked with Treasury Call	Note 13.2	4,713	—
	Impairment allowance against the dormant bank accounts		(1,074)	(1,074)
			69,186	37,458
			69,424	37,662
13.1	Cash at banks include Rs. 7,193 thousand (2019: Rs. 3,988 thousand) with shariah compliant financial institutions.			
13.2	This represents amount placed with commercial bank in "Unclaimed Dividend Account", linked with Treasury Call Account. Profit earned in this account will be used in corporate social responsibility activities.			
14	ISSUED, SUBSCRIBED AND PAID UP CAPITAL		2020 (Rupees in '000)	2019
	2020	2019		
	10,860,000	10,860,000	Ordinary shares of Rs.10 each allotted for consideration paid in cash	108,600
	1,086,000	1,086,000	Ordinary shares of Rs.10 each allotted as bonus shares	10,860
	11,946,000	11,946,000	119,460	119,460
15	SURPLUS ON REVALUATION OF PROPERTY, PLANT & EQUIPMENT			
	Gross opening balance		1,416,635	1,494,194
	Incremental depreciation charged on surplus on revaluation of property, plant & equipment - net of deferred tax		(51,867)	(55,067)
	Deferred Tax on Incremental Depreciation charged on surplus on revaluation of property, plant & equipment		(21,185)	(22,492)
			(73,052)	(77,559)
			1,343,583	1,416,635
	Related deferred Tax	Note 18.1.1	(358,332)	(379,517)
	Revaluation surplus net of deferred tax		985,251	1,037,118

- 15.1** The Company carries its land, building and plant & machinery on revaluation model in accordance with IAS - 16 "Property, Plant & Equipment". An independent valuer carried out revaluation and issued report on October 01, 2018. Forced sale value has been determined by the valuer using New Replacement Value i.e., the estimated cost to replace an existing asset or with a substitute of like kind and equal utility using the current standards of materials and design and with no deduction for depreciation as follows:

	(Rupees in '000)		
	Discount Factor in %	Present Market Value	Forced Sale Value
Free hold Land	13%	115,000	100,000
Building (Factory & Non-Factory)	15%	286,000	243,000
Plant & Machinery	20%	2,288,000	1,830,000

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

		2020 (Rupees in '000)	2019
16 LONG TERM FINANCING			
Secured			
From Banking Company under mark-up arrangements			
Demand Finance - I	Note 16.1 & 16.3	—	3,000
Demand Finance - II	Note 16.2 & 16.3	67,047	131,198
Diminishing Musharakah - I	Note 6 & 16.4	15,389	19,634
Diminishing Musharakah - II	Note 16.5	156,000	—
Refinance - Salaries & Wages under State Bank of Pakistan Scheme	Note 16.6 & 16.7	26,577	—
		265,013	153,832
Current portion shown under current liabilities		(77,922)	(69,272)
		187,091	84,560

- 16.1** This represents Demand Finance I obtained from MCB Bank Limited under mark-up arrangements and was repayable in 16 varying quarterly installments starting from December 2015 with a mark-up payments @ 3 months KIBOR + 2.5% chargeable and payable on quarterly basis. The loan has been fully repaid during the year.
- 16.2** This represents Demand Finance II obtained from MCB Bank Limited under mark-up arrangements and is repayable in 16 quarterly installments starting from November 2017 with a mark-up payments @ 3 months KIBOR + 2.5% chargeable and payable on quarterly basis.
- 16.3** The above loans are secured against the Personal Guarantees of all Sponsoring Directors. 1st Exclusive Charge over specific plant & Machinery. 1st Registered Exclusive charge over all Land & Building of the Company. Additionally secured against 1st paripassu charge over other plant & machinery of the Company
- 16.4** This represents Diminishing Musharakah arrangement from shariah compliant financial institution under profit arrangements and repayable in five years in quarterly installments with a profit payments @ 6 months KIBOR + 3%. This loan is secured against the title over specific machinery.
- 16.5** This represents Diminishing Musharakah arrangement from shariah compliant financial institution under profit arrangements and repayable in two years and nine months in biannual installment during first year and quarterly installments for the remaining period with a profit payments @ 6 months KIBOR + 3%. This loan is secured against the title over specific machinery.

		2020 (Rupees in '000)	2019
16.6	Refinance - Salaries & Wages under State Bank of Pakistan Scheme	28,680	—
	Less: Fair Value differential - Government Grant	(2,569)	—
	Unwinding of Interest	466	—
		<u>26,577</u>	<u>—</u>
16.7	This represents facility from MCB Bank Limited under the "Refinance Scheme for payment of Salaries and Wages to employees and workers, launched by the State Bank of Pakistan". The Company has availed Rs. 28,680 thousand against the sanctioned limit of Rs. 32,231 thousand under mark-up arrangements and repayable in quarterly installments in a period of two years and six months with a grace period of six months with markup payments @ 3%. This loan is secured against the security & charge already held by the Bank.		

		2020 (Rupees in '000)	2019
17	LEASE LIABILITIES		
	Balance at the beginning of the year	97,890	140,102
	Lease obtained during the year	27,349	—
	Repayments during the year	(24,025)	(42,212)
		<u>101,214</u>	<u>97,890</u>
	Less: Current portion shown under current liabilities	41,473	36,780
		<u>59,741</u>	<u>61,110</u>

17.1 The amounts of future payments for the lease and the period of their maturity is as follows:

	Minimum Lease Payments (MLP)	Financial Charges	Present Value of MLP
	Rupees in 000		
	2020		
Rentals due within one year	48,581	7,108	41,473
Rentals due after one year but within five years	63,202	3,461	59,741
Balance as at September 30, 2020	111,783	10,569	101,214
	2019		
Rentals due within one year	48,350	11,570	36,780
Rentals due after one year but within five years	66,189	5,079	61,110
Balance as at September 30, 2019	114,539	16,649	97,890

17.1.1 The Company has entered into direct lease agreement for an amount of Rs. 52,908 thousand with a grace period of six months & Rs. 30,000 thousand with Orix Leasing Pakistan Limited. Lease rentals are payable in 48 months on monthly basis started from December 2017 and October 2017 respectively. The Company has option to purchase the assets upon expiry of the lease term by making payment of residual value by way of adjustment of security deposit and intends to opt such option. Minimum lease payments have been discounted using rates linked with KIBOR ranging between 12.13% to 18.16% (2019: 11.14 % to 17.26%) being rates implicit in the lease.

17.1.2 The Company has entered into lease agreement, for an amount of Rs. 70,000 thousand and Rs. 9,000 thousand with Sindh Leasing Company Limited. The Company has option to purchase the assets upon expiry of the lease term by making payment of residual value by way of adjustment of security deposit. Minimum lease payments have been discounted using rates linked with 6 Months Kibor plus 4.25% ranging between 11.43% to 18.32% (2019: 10.68% to 18.32%) being rates implicit in the lease. Lease rentals are payable in 60 months in arrears on monthly basis.

17.1.3 During the year, the Company has entered into direct lease agreement, for an amount of Rs. 19,849 thousand and Rs. 7,500 thousand with Orix Leasing Company Limited. The Company has option to purchase the assets upon expiry of the lease term by making payment of residual value by way of adjustment of security deposit. Minimum lease payments have been discounted using rates linked with 6 Months Kibor plus 4.75% ranging between 12.04 % to 12.05 % (2019: Nil) being rates implicit in the lease. Lease rentals are payable in 36 months in arrears on monthly basis.

		2020	2019
		(Rupees in '000)	
18	DEFERRED LIABILITIES		
Deferred taxation	Note 18.1	340,777	368,660
Market committee fee	Note 18.2	75,716	71,843
Employees retirement benefits			
– Defined benefit plan	Note 18.3	89,050	76,563
– Leave Encashment plan	Note 18.4	3,041	2,850
		<u>508,584</u>	<u>519,916</u>
18.1	Deferred taxation:		
Opening Balance		368,660	464,526
Impact of change in tax rate on revaluation surplus		—	7,687
Impact of deferred tax on actuarial loss		1,229	(124)
Reversed during the year	Note 32	(29,112)	(103,429)
Closing balance		<u>340,777</u>	<u>368,660</u>
18.1.1	Deferred tax (debit) / credit arising due to:		
Deferred tax credit arising due to:			
– surplus on revaluation	Note 15	358,332	379,517
– accelerated depreciation		154,882	145,529
– assets obtained under finance lease		19,658	14,916
		<u>532,872</u>	<u>539,962</u>
Deferred tax debit arising due to:			
– provisions / impairment		(56,663)	(51,254)
– minimum tax, Lossess and tax credit carried forward		(135,432)	(120,048)
		<u>340,777</u>	<u>368,660</u>
18.2	Market committee fee		
Opening Balance		71,843	66,934
Charge during the year		3,873	4,909
Closing balance	Note 18.2.1	<u>75,716</u>	<u>71,843</u>

18.2.1 The Company has filed a suit in the Honourable High Court of Sindh against the levy of market committee fee by the Government of Sindh on sugarcane purchases at the factory. The Sindh High Court has granted status quo. Full provision has been made as a matter of prudence.

18.3 Employees Retirement Benefits - Defined Benefits Plan

The Company operates an unfunded gratuity scheme for its employees eligible to the benefit effective from July 01, 2003 and provision is made as per actuarial valuation of the scheme conducted as of September 30, 2020 by M/s Nauman Associates (Consulting Actuaries) under the "Projected Unit Credit" method. The significant actuarial assumptions used for actuarial valuation for the gratuity scheme are as follows:

	2020	2019
	(Rupees in '000)	
18.3.1 Movement in the present value of the obligation		
Present value of obligation at the beginning of the year	76,563	68,733
Charge for the year		
Current service cost	9,459	8,403
Interest cost	9,404	6,352
	18,863	14,755
Benefits paid during the year	(2,138)	(7,352)
Actuarial (gain) / loss & experience adjustments Note 18.3.4	(4,238)	427
Present value of obligation at the end of the year	89,050	76,563
18.3.2 Expense for the year charged to statement of Profit or Loss		
Current service cost	9,459	8,403
Interest cost	9,404	6,352
	18,863	14,755
18.3.3 Charge for the year has been allocated as under:		
Cost of sales Note 25.1	14,147	11,066
Administrative cost Note 28.1	4,716	3,689
	18,863	14,755
18.3.4 Total Remeasurements Chargeable in Other Comprehensive Income		
Actuarial (gain) / loss from changes in financial assumptions	(433)	332
Experience adjustments	(3,805)	95
	(4,238)	427
18.3.5 Significant Actuarial Assumptions		
Discount rate used for interest cost in P or L Charge	12.50%	10.00%
Discount rate used for year end obligation	9.75%	12.50%
Salary increased used for year end obligation	8.75%	11.50%
Retirement age	Age 60	Age 60
Mortality Rates	SLIC	SLIC
	2001-2005	2001-2005
	Setback	Setback
	1 year	1 year

	2020 (Rupees in '000)	2019
18.3.6 Year end Sensitivity Analysis (+ 100 bps) on Defined Benefit Obligation		
Discount Rate + 100 bps	84,048	72,415
Discount Rate - 100 bps	93,541	80,770
Salary Increase + 100 bps	93,661	80,868
Salary Increase - 100 bps	83,858	72,257
18.3.7 Expected Benefit Payments for the next 10 years and beyond		
Year		
FY 2020	—	14,711
FY 2021	18,337	7,874
FY 2022	9,782	9,337
FY 2023	13,640	14,062
FY 2024	10,347	10,841
FY 2025	10,185	10,107
FY 2026	15,136	17,049
FY 2027	17,912	21,727
FY 2028	11,508	12,996
FY 2029	20,491	24,197
FY 2030	23,779	476,023
FY 2031 onwards	277,861	—

The average duration of the defined benefit obligation is 5 years

18.4 Employee Retirement Benefits - Leave Encashment plan:

The Company operates an unfunded leave encashment scheme for its employees eligible to the benefit and provision is made as per actuarial valuation of the scheme conducted as of September 30, 2020 by M/s Nauman Associates (Consulting Actuaries) under the "Projected Unit Credit " method. The significant actuarial assumptions used for actuarial valuation for the leave encashment scheme are as follows:

	2020 (Rupees in '000)	2019
18.4.1 Movement in the present value of the obligation		
Present value of obligation at the beginning of the year	2,850	3,597
Charge for the year		
Current service cost	760	832
Interest cost	316	301
	1,076	1,133
Benefits paid during the year	(574)	(1,015)
Actuarial (gain) / loss from changes in financial assumptions	(18)	13
Experience adjustments	(293)	(878)
Present value of obligation at the end of the year	3,041	2,850

		2020	2019
		(Rupees in '000)	
18.4.2 Expense for the year charged to Statement of Profit or Loss			
Current service cost		760	832
Interest cost		316	301
Actuarial (gain) / loss from changes in financial assumptions		(18)	13
Experience adjustments		(293)	(878)
		<u>765</u>	<u>268</u>
18.4.3 Charge for the year has been allocated as under:			
Cost of sales	Note 25.1	574	201
Administrative cost	Note 28.1	191	67
		<u>765</u>	<u>268</u>
18.4.4 Significant Actuarial Assumptions			
Discount rate used for interest cost		12.50%	10.00%
Discount rate used for year end obligation		9.75%	12.50%
Salary increased used for year end obligation		8.75%	11.50%
Retirement age		Age 60	Age 60
Mortality Rates		SLIC	SLIC
		2001-2005	2001-2005
		Setback	Setback
		1 year	1 year
18.4.5 Year end Sensitivity Analysis (+ 100 bps)		2020	2019
on Defined Benefit Obligation		(Rupees in '000)	
Discount Rate + 100 bps		2,844	2,723
Discount Rate - 100 bps		3,110	2,992
Salary Increase + 100 bps		3,115	2,996
Salary Increase - 100 bps		2,837	2,717
19 DEFERRED GOVERNMENT GRANT			
Fair value differential of loan at subsidized rate as Government grant	Note 16.6	2,569	—
Government grant recognized as income	Note 30	(313)	—
		<u>2,256</u>	<u>—</u>
Current maturity of deferred Government grant		(1,552)	—
		<u>704</u>	<u>—</u>
20 TRADE AND OTHER PAYABLES			
Creditors	Note 20.1 & 20.2	374,487	542,637
Accrued liabilities	Note 20.3	42,854	43,587
Advances from customers		423,235	165,096
Sales tax payable		76,561	21,596
Workers' Profit participation Fund	Note 20.4	—	—
Workers' Welfare Fund		1,324	1,324
Other liabilities	Note 20.5	3,940	7,735
		<u>922,401</u>	<u>781,975</u>

- 20.1** This includes an amount of Rs. 1,592 thousand (2019: Rs. 5,973 thousand) due to related parties namely Mr. Ghulam Dastagir Rajar, Haji Khuda Bux Rajar, Gul Muhammad and Muhammad Hashim. The maximum aggregate gross amount due to related parties at any month end during the year was Rs. 3,857 thousand (2019: Rs. 21,032 thousand).
- 20.2** This includes an amount of Rs. 157,579 thousand (2018: Rs. 157,579 thousand) in respect of the suit filed by the Company in the Honorable High Court of Sindh during the season 2013-14 against the cane purchase price of Rs. 172 per 40 kg as fixed by Government of Sindh which was dismissed by the Honorable High Court and the matter was taken up by the Company with the Honorable Supreme Court of Pakistan. In the due course of time, the Government of Sindh fixed the price of sugarcane for the season 2014-15 at Rs. 182 per 40 Kg in pursuance of which the Sindh Chamber of Agriculture filed a petition in the Honorable High Court of Sindh. The Honorable High Court disposed of the case upon settlement with the consent of all the stake holders whereby it was settled that Sugar Mills shall purchase the sugarcane from growers at Rs. 160 per 40 kg for crushing season 2014-15 whereas Rs. 12 per 40 kg will be paid by the Government of Sindh. The Honorable High Court has subjected this interim arrangement to the decision of Civil appeal No 48 of 2015 pending before the Honorable Supreme Court of Pakistan and also have ordered that the fate of remaining Rs. 10 i.e., difference of Rs. 182 and Rs. 172 will also be dependent upon the decision of Honorable Supreme Court of Pakistan. The Company as a matter of prudence has accounted for the said difference in the financial statements.
- 20.3** This includes an amount of Rs. 13,864 thousand (2019: Rs. 12,465 thousand) in respect of the Constitutional Petition filed by the Company in the Honourable High Court of Sindh, Hyderabad Circuit against the increase in rates by Nara Canal Area Water Board through its notification dated 22.11.2010 had increased the water supply rates from Rs. 1 per gallon to Rs. 10 per gallon. The petition has been disposed off leaving the petitioner free to invoke arbitration proceedings in terms of agreement entered into between the petitioner and the respondent. Arbitration proceedings are pending thereat. The Company is the confident that matter will be decided favorably; however as a matter of prudence has accounted for the said difference in the financial statements.

		2020	2019
		(Rupees in '000)	
20.4 Workers Profit Participation Fund			
Opening balance at the beginning of the year		—	1,336
Interest paid on funds utilized by the Company	Note 31	—	149
		—	1,485
Less: Payments made during the year		—	(1,485)
		—	—
Add: Allocation for the year		—	—
Closing balance at the end of the year		—	—
20.5 Other liabilities			
Income tax deducted at source		905	1,834
Cane field staff	Note 20.5.1	479	512
Others - Employees' social security & old age benefits, workers compensation & others		2,556	5,389
		3,940	7,735

20.5.1 These represents amount received from cane field employees under Company's motor cycle policy.

		2020 (Rupees in '000)	2019
21	ACCRUED FINANCE COST		
	Accrued mark-up on long term financing	2,119	5,643
	Accrued mark-up / Profit on short term borrowings Note 21.1	36,558	52,027
		<u>38,677</u>	<u>57,670</u>

21.1 Accrued Markup / profit on short term borrowings includes Rs. 29,766 thousand (2019: Rs.25,221thousand) in respect of shariah compliant financial institutions.

		2020 (Rupees in '000)	2019
22	SHORT TERM BORROWINGS -Secured		
	Cash & Salam Finance Note 22.1 & 22.3	215,200	697,350
	Growers Finance Note 22.2	75,000	—
	Running Finance Note 22.1	98,819	100,000
		<u>389,019</u>	<u>797,350</u>

22.1 The aggregate financing facilities obtained amounted to Rs. 1,475,000 thousand (2019: Rs.1,675,000 thousand), out of which Rs. 1,085,981 thousand (2019: Rs. 782,650 thousand) were un-availed as at the year end. These are secured by pledge of sugar stocks under the supervision of approved muddam and hypothecation over current assets of the Company, exclusive & pari passu hypothecation charge on Company's plant & machinery and 1st equitable mortgage charge over fixed assets of the Company. The financing facilities are collaterally secured by the personal guarantees of all the sponsor directors. The facilities carries markup at 3 & 6 months KIBOR as base rate plus 1% to 2.75% per annum (2019: 2% to 2.75%) chargeable and payable quarterly and biannually. The facility is renewable annually at the time of maturity.

22.2 The aggregate financing facilities obtained amounted to Rs. 75,000 thousand (2019: Nil) directly disburseable to the growers' bank account and Company recovers the amount of finance from cane procurement payments. These are secured by hypothecation over current assets of the Company, exclusive & pari passu hypothecation charge on Company's plant & machinery and 1st equitable mortgage charge over fixed assets of the Company. The financing facilities are collaterally secured by the personal guarantees of all the sponsor directors. The facilities carries markup at 3 months KIBOR as base rate plus 1% per annum (2019: Nil) chargeable and payable quarterly, which is recovered from the growers. The facility is renewable annually at the time of maturity.

22.3 This includes Rs. 136,500 thousand (2019: Rs. 375,000 thousand) in respect of shariah compliant financial institutions.

23 CONTINGENCIES AND COMMITMENTS

23.1 Contingencies:

23.1.1 The Company has filed a petition in the Honourable Supreme Court of Pakistan against a show cause notice issued by Competition Commission of Pakistan (CCP), challenging the vary jurisdiction of the Competition Commission. The Honourable Supreme Court of Pakistan has disposed of the petition on the ground that this matter is already under proceedings with Honourable High Courts and

refrained CCP from passing any final / penal order till a final decision is achieved at Honourable High Courts. Proceedings are pending thereat. There are no financial implications related to this at the moment.

23.1.2 The Company has filed a suit before the Honourable High Court of Sindh against Pakistan Standards and Quality Control Authority (the Authority) Challenging the levy of marking fee under PSQCA Act-VI of 1996. The Authority has demanded a fee payment @ 0.1% of ex-factory price for the year 2008-2009 amounting to Rs. 1,915 thousands. The Company is of the view that demand notifications so raised are without any lawful authority under the PSQCA Act-VI of 1996 and are in violation of the constitution. The Honourable High Court of Sindh has accepted the petition and termed that impugned notifications have been issued without lawful authority and suspended the operation of the impugned notifications. The constitutional petition filed before the Honourable High Court of Sindh has been allowed in favour of the Company. In the meantime the legal counsel of the Company has filed caveat in respect of an appeal to be filed by PSQCA against the judgment in the Honourable Supreme Court of Pakistan. No provision has been made in this respect, as the Company is confident that the same is not likely to be materialized.

23.1.3 The Company's appeal in the Honourable Supreme Court against the Order of the Honourable Sindh High Court for levy of Quality Premium was accepted by the Honourable Supreme Court by assailing the Order of Honourable Sindh High Court. Furthermore Federal Government steering committee through its decision on 16-07-2007 held that the quality premium shall remain suspended till decision of Honourable Supreme Court or consensus on uniform formula to be developed by MINFAL.

During the preceeding year, the appeal of the quality premium, has been decided by the Honourable Supreme Court of Pakistan against the Sugar Manufacturing Companies and the Legal Counsel of the Company is of the view that the Honourable Supreme Court has now simply prescribed the criteria for future, which if followed properly, would make quality premium applicable in the future, and in relation to the past (other than crushing season 1998 – 1999) it appears that no liability arose as no legally binding notification under section 16(v) can be said to be in the field in the light of the decision of the Honourable Supreme Court. Accordingly, no liability arises for the past and for the year 1998 – 99 the recovery rate was below the threshold determined by the Government, hence, no provision is required to be made and further the Company has already paid price higher than the minimum notified price.

23.1.4 During the preceeding year, the Government of Sindh issued a notification no. 8(142)/S.O(EXT)2017, according to which, the minimum price of sugarcane has been fixed at the rate of Rs. 182 per 40 kg for the crushing season 2017-2018. The Company along with other Sugar mills has filed a petition in the Honourable High Court of Sindh dated 19 December 2017 against the said notification. Thereafter, the Honourable Court after deliberations with all stakeholders announced the judgement fixing the purchase price at the Rs. 160 to be paid to growers and the balance of Rs. 22 per 40 kg to be decided by the Honourable Supreme Court of Pakistan which is pending. The differential amount aggregating to Rs. 391,668 thousand has not been accounted for since the purchase price has been agreed with the parties and outcome of the Honourable Supreme Court is not likely to be against the Company. Furthermore, the Company along with other sugar mills have also filed petition in the Honourable Supreme Court challenging the minimum price fixation mechanism, which is also pending before the Honourable Court.

23.1.5 During the preceeding year, the Company has filed an appeal in the Honourable Supreme Court of Pakistan against the order passed by the Honourable High Court of Sindh – Circuit Court Hyderabad in the matter of Constitutional Petition No. D - 334 of 2012 (Sanghar Sugar Mills Limited vs Sindh Labour Appellant Tribunal and Others) against the Company. The said appeal was filed against the Sindh Labour Appellate Tribunal for the decision made by the Appellate Tribunal (Hyderabad). The Honourable Supreme Court of Pakistan has suspended the operation of the impugned judgement and directed the Company to let the amount of salary on the basis of last drawn arrears of salary during season and salary of retention during off season and as per directions the Company has deposited an amount of Rs. 499 thousand (2019: 478 thousand) in the Labour Court of Hyderabad. The Case has challenged the decision of Labour Appellate Tribunal and the Honourable High Court of Sindh, wherein the chances of Company's success are higher.

23.2 Guarantee:

Rs. 30,000 thousand (2019: Rs. 30,000 thousand) guarantee issued by the Bank for six months period in favour of Engro Fertilizers Limited on behalf of the Company for the procurement of Fertilizers for onward supply to sugarcane growers. The guarantee is secured against the 25% cash margin and rest against the existing charge over current and fixed assets of the Company held as collateral. Also refer note no 11 of the financial statements.

23.3 Commitments:

23.3.1 Capital commitments in respect of machinery for waste water treatment plant amounting to Rs. 6,715 thousands (2019: Rs. 25,500 thousands).

23.3.2 The Company has committed for donation of 5 acre of land through the Board of Directors' decision in their meeting held on October 29, 2016 recommended donation of 5 acre land out of total 320 acres Company's land at factory located at Sanghar to Workers Welfare Fund, Government of Pakistan, Islamabad, for the purpose of construction of Fifty Beds Hospital in the vicinity of factory premises of Sanghar Sugar Mills. This has already been approved by the shareholders of the Company in their Extra Ordinary General Meeting held on November 23, 2016. The carrying value of the land as on the year end date is Rs 110 thousand whereas its market value based on revaluation report of an independent professional valuator is Rs. 1,793 thousand determined on September 30, 2018. In order to implement the agreement, the formalities of transfer of Land and other documentation are in process till date.

	2020 (Rupees in '000)	2019
24 SALES		
Local Sales	3,465,585	2,951,835
Export Sales	—	195,565
Less: Brokerage and Commission	(148)	(979)
Sales Tax / Further Tax	(527,255)	(375,982)
	(527,403)	(376,961)
	<u>2,938,182</u>	<u>2,770,439</u>

		2020 (Rupees in '000)	2019
25	COST OF SALES		
	Sugar cane consumed (including cane procurement expenses)	2,252,663	2,222,014
	Salaries, wages and staff benefits	159,240	167,309
	Stores, spare parts & loose tools consumed	106,615	128,193
	Fuel, power & utilities	12,263	9,772
	Insurance	12,344	12,520
	Repairs and maintenance	8,896	10,420
	Vehicle running expenses	7,902	7,562
	Ijarah Lease Rentals	—	1,777
	Depreciation	133,633	139,207
	Depreciation on right-of use assets	7,674	9,033
	Amortization of deferred cost	—	8,771
	Other expenses	10,474	11,841
		2,711,704	2,728,419
	Sale of Electric Power	23,638	29,949
	Sugar -in-process		
	– Opening	1,268	1,153
	– Closing	(1,542)	(1,268)
		(274)	(115)
		2,687,792	2,698,355
	Sale of Molasses	250,847	240,980
	Inventory adjustment for molasses	(93)	(48)
		250,754	240,932
	Sale of Bagasse	10,229	3,846
	Inventory adjustment for bagasse	(979)	600
		9,250	4,446
	Cost of goods manufactured	2,427,788	2,452,977
	Finished sugar		
	– Opening stock	602,086	787,770
	– Closing stock	(247,853)	(602,086)
		354,233	185,684
		2,782,021	2,638,661
25.1	Salaries, wages and benefits include Rs. 14,147 thousand (2019: Rs. 11,066 thousand) in respect of defined benefit plan and Rs. 574 thousand (2019: Rs. 201 thousand) in respect of leave encashment plan.		
25.2	Ijarah Lease rentals are paid in respect of arrangement with shariah compliant financial institution.		
25.3	These figures are net off sales tax of Rs. 4,734 thousand (2019: Rs. 5,091 thousand).		
25.4	These figures are net off sales tax of Rs. 1,739 thousand (2019: Rs. 654 thousand).		

		2020	2019
		(Rupees in '000)	
26	TRADING ACTIVITIES		
	Sales	40,480	111,532
	Less: Sales Tax	(753)	(2,187)
		39,727	109,345
	Less: Purchases & other expenses thereon	(39,727)	(109,345)
		—	—
27	DISTRIBUTION COST		
	Export charges including transportation	—	11,689
	Handling and Stacking	710	1,009
		710	12,698
28	ADMINISTRATIVE COST		
	Salaries, wages and staff benefits	Note 28.1 66,004	61,166
	Rent, rates and taxes	2,883	2,038
	Communication	808	644
	Repairs and maintenance	2,678	1,469
	Utilities	528	955
	Entertainment	575	610
	Subscription	1,617	2,313
	Cartage	39	34
	Printing and stationery	1,671	1,115
	Insurance	4,115	4,173
	Legal and professional charges	2,895	1,320
	Conveyance and traveling	4,077	4,624
	Depreciation	Note 5.1.2 9,674	9,570
	Others	2,066	1,105
		99,630	91,136
28.1	Salaries, wages and benefits include Rs. 4,716 thousand (2019: 3,689 thousand) in respect of defined benefit plan and Rs. 191 thousand (2019: 67 thousand) in respect of leave encashment plan.		
		2020	2019
		(Rupees in '000)	
29	OTHER OPERATING COST		
	Auditors' remuneration	Note 29.1 1,566	1,393
	Corporate social responsibility costs	Note 29.2 3,968	2,321
	Exchange Loss - net	—	747
	Provision for doubtful grower's advance	Note 10.3 —	953
	Provision for slow moving and obsolete items	Note 7.1 1,150	950
		6,684	6,364
29.1	Auditors' remuneration		
	Statutory Auditors - Kreston Hyder Bhimji and Co.		
	Audit fee	1,125	1,000
	Half yearly review fee	120	103
	Code of corporate governance certification	90	80
	Certification of Free Float of Shares & reconciliation	115	107
	Sindh Sales Tax on Services	116	103
		1,566	1,393

- 29.2** Corporate social responsibility costs do not include any amount paid to any person or organization amount exceed Rs. 500,000 and in which any director or their spouse had any interest.

		2020	2019
		(Rupees in '000)	
30	OTHER INCOME		
	Income from non financial assets:		
	Gain on sale of property, plant & equipment	Note 5.1.3	
	Government grant recognized as income	Note 19	
	Others - Rent & related receipts		
		1,022	1,399
		313	—
		30	127
		1,365	1,526
	Income from others:		
	Liabilities written back		
	Reversal of provision of doubtful growers advances	Note 10.3	
	Others		
		3,924	75
		173	—
		1	878
		4,098	953
		5,463	2,479
31	FINANCE COST		
	Mark-up on long term financing	Note 31.1	
	Mark-up / profit on short-term borrowings	Note 31.2	
	Financial charges on lease liabilities		
	Bank charges		
	Interest on workers' profit participation fund	Note 20.4	
		19,255	26,197
		120,891	130,080
		11,649	14,843
		1,651	1,398
		—	149
		153,446	172,667

- 31.1** It includes an amount of Rs. 2,745 thousand (2019: Rs. 2,698 thousand) in respect of financing under shariah compliant arrangements.

- 31.2** It includes an amount of Rs. 81,413 thousand (2019: Rs. 56,049 thousand) in respect of financing under shariah compliant arrangements.

			2020	2019
			(Rupees in '000)	
32	TAXATION			
	Current year	Note 32.1	49,021	46,378
	Prior years		—	7,298
	Deferred	Note 18.1	(29,112)	(103,429)
			19,909	(49,753)

- 32.1** Provision for current taxation represents the minimum tax on turnover tax under section 113 of Income Tax Ordinance, 2001 net of available tax credits, hence tax reconciliation of tax expense with accounting profit is not presented for the current year.

	2020	2019
33 LOSS PER SHARE - Basic and Diluted		
Loss after taxation (Rupees '000)	(118,755)	(95,855)
Weighted average number of ordinary shares	11,946,000	11,946,000
Loss per share - (Rupees)	(9.94)	(8.28)

There is no dilutive effect on the basic earnings per share of the Company.

	2020 (Rupees in '000)	2019
34 CASH AND CASH EQUIVALENTS		
Cash and cash equivalent comprise of the following items		
Cash and bank balances Note 13	69,424	37,662
Less: Short term borrowings Note 22	(389,019)	(797,350)
	(319,595)	(759,688)

35 FINANCIAL INSTRUMENTS

35.1 FINANCIAL ASSETS AND LIABILITIES

Table below summarizes the maturity profile of the Company's financial assets and liabilities at the following reporting periods.

		2020						
		Interest / Mark-up bearing			Non Interest / Mark-up bearing			
	Interest / markup rate	Maturity upto one year	Maturity after one year	Sub Total	Maturity upto one year	Maturity after one year	Sub Total	Total
		(Rupees in '000)						
Financial Assets								
Deposits		—	—	—	7,505	20,231	27,736	27,736
Trade Debts		—	—	—	27,924	—	27,924	27,924
Other Receivable		—	—	—	47,080	—	47,080	47,080
Loans and advances		—	—	—	3,099	—	3,099	3,099
Cash and bank balances		—	—	—	69,424	—	69,424	69,424
T O T A L		—	—	—	155,032	20,231	175,263	175,263
Financial Liabilities								
Long Term Finance	3 & 6 M Kibor +2.5% to 3%	77,922	187,091	265,013	—	—	—	265,013
Lease liabilities	11.43% to 18.32%	41,473	59,741	101,214	—	—	—	101,214
Trade & other payables		—	—	—	497,842	—	497,842	497,842
Accrued finance cost		—	—	—	38,677	—	38,677	38,677
Short-term borrowings	3 & 6 M Kibor +1% to 2.75%	389,019	—	389,019	—	—	—	389,019
Unclaimed dividend		—	—	—	4,713	—	4,713	4,713
T O T A L		508,414	246,832	755,246	541,232	—	541,232	1,296,478

2019							
Interest / markup rate	Interest / Mark-up bearing			Non Interest / Mark-up bearing			Total
	Maturity upto one year	Maturity after one year	Sub Total	Maturity upto one year	Maturity after one year	Sub Total	
(Rupees in '000)							
Financial Assets							
Deposits	—	—	—	7,575	17,323	24,898	24,898
Loans and advances	—	—	—	2,593	—	2,593	2,593
Other Receivables	—	—	—	47,080	—	47,080	47,080
Cash and bank balances	—	—	—	37,662	—	37,662	37,662
TOTAL	—	—	—	94,910	17,323	112,233	112,233
Financial Liabilities							
Long Term Finance	3 M Kibor + 2% & 2.5%	69,272	84,560	153,832	—	—	153,832
Lease liabilities	10.68% to 18.32%	36,780	61,110	97,890	—	—	97,890
Trade & other payables	—	—	—	615,555	—	615,555	615,555
Accrued mark-up	—	—	—	57,670	—	57,670	57,670
Short Term Borrowings	3 & 6 M Kibor +2% to 2.75%	797,350	-	797,350	—	—	797,350
Unclaimed dividend	—	—	—	8,286	—	8,286	8,286
TOTAL		903,402	145,670	1,049,072	681,511	681,511	1,730,583

36 FINANCIAL RISKS MANAGEMENT

36.1 Financial Risk Management Objectives, Policies and Responsibilities

The Company's overall risk management programs focus on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's operations. The Company's risk management policies are established to identify and analyze the risk faced by the Company, to set appropriate risk limits and control, and to monitor risks and adherence to limits.

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's senior management provides policies for overall risk management, as well as policies covering specific areas such as foreign exchange risks, interest rate risks, credit risks, financial instruments and investment of excess liquidity. It is the Company's policy that no trading in derivatives for speculative purpose shall be undertaken.

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

- Market risk
- Credit risk
- Liquidity risk

36.1.1 Market Risk

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

36.1.1.1 Foreign Exchange Risk

Foreign exchange risk represents the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk arises mainly from future economic transaction or receivables or payables that exist due to transactions in foreign exchange. During the year the Company has no direct exposure to foreign currency risk and also as at year end the Company was not directly exposed to foreign currency risk.

36.1.1.2 Interest / Mark-up rate risk

Interest / mark-up rate risk is the risk that value or future cash flows of the financial instruments will fluctuate because of changes in market interest / mark-up rates. The Company has mainly long term finance, lease liabilities, short term borrowings and workers' profit participation fund which are based at varying rates.

At the reporting date, the interest rate profile of the Company's significant interest / mark-up bearing financial instruments are as follows:

	2020	2019	2020	2019
	Effective interest / markup rate (in percent)		Carrying amount (Rupees in '000)	
Financial liabilities				
Variable rate instruments				
Long Term Finance	3 & 6 M Kibor + 2.5% & 3%	3 M Kibor + 2% & 2.5%	265,013	153,832
Lease liabilities	11.43% to 18.32%	10.68% to 18.32%	101,214	97,890
Short term borrowings	3 & 6 M Kibor + 1% to 2.75%	3 & 6 M Kibor + 2% to 2.75%	389,019	797,350
			755,246	1,049,072

Sensitivity analysis**Fair value sensitivity analysis for fixed rate instruments**

The Company does not account for any fixed rate instruments at fair value through statement of profit or loss.

Cash flow sensitivity analysis for variable rate instruments.

A change of 100 basis points in interest / mark-up rates at the reporting date would have decreased / (increased) profit before tax for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2019.

	2020		2019	
	(Rupees in '000)		(Rupees in '000)	
	Profit and loss 100 bp		Profit and loss 100 bp	
Financial liabilities	(increase)	decrease	(increase)	decrease
Cash flow sensitivity - on statement of financial position	<u>(7,552)</u>	<u>7,552</u>	<u>(10,491)</u>	<u>10,491</u>

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

36.1.1.3 Other Price Risk

Other price risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company does not have financial instruments dependent on such market prices.

36.1.2 Credit Risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties failed to perform as contracted. To manage exposure to credit risk in respect of trade receivables, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Sales contracts and credit terms are approved by the Chief Executive Officer and Executive Director. The Company manages credit risk inter alia by setting out credit limits in relation to individual customers and / or by obtaining advance against the sales and / or through letter of credits and / or by providing adequate allowance for doubtful debts. Where considered necessary, advance payments are obtained from certain parties or by obtain advance payments from counter parties.

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

The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk at the reporting date is:

	2020	2019
	(Rupees in '000)	
Deposits	27,736	24,898
Trade debts	27,924	—
Loans and advances	3,099	2,593
Other Receivable	47,080	47,080
Cash & Bank balances	69,424	37,662
	175,263	112,233

a) Deposits

Deposits are due from leasing companies, margin deposits placed with commercial banks and others. Major amount of the deposits are from leasing companies which have good credit ratings from the rating agencies and also the lease deposits are secured against the leased asset. The other deposit are placed against the utility facilities like electricity & water with Government entities. The Company believes that it is not exposed to significant credit risk in this respect.

b) Trade Debts

These represents balances due from registered buyers against sale of power. The Company believe that it is not exposed to significant credit risk in this respect.

c) Loans and Advances

These represent balances due from employees that are mostly against their balances of retirement benefits. Advances given to growers in cash or through fertilizer / seeds are recovered through the adjustments in cane supplies payments in the ensuing season. Impairment allowance has been made against the growers loan became past due and non recoverable. The Company actively pursues for the recovery and based on past experience the Company does not expect that these will fail to meet their obligations hence no impairment allowance is necessary other than already made in these financial statements.

d) Balances with Bank

The Company limits its exposure to credit risk by maintaining bank balances only with counter-parties that have stable credit rating. Management actively monitors credit ratings of the counter parties and given their high credit ratings, management does not expect that the counter party will fail to meet their obligations.

The bank balances along with the short term credit ratings are tabulated below:

	2020 (Rupees in '000)	2019
Credit Ratings		
A-1+	69,070	37,492
A-1	1,189	1,039
A-3	1	1
	70,260	38,532

36.1.2.1 Financial assets that are either past due or impaired

The credit quality of financial assets that are either past due or impaired can be assessed by reference to historical information and external ratings or to historical information about counter party default rates as disclosed in respective notes. Management believes that there are no financial asset that are either past due or impaired.

36.1.3 Liquidity Risk

Liquidity risk represent the risk where the Company will encounter difficulty in meeting obligations associated with financial liabilities. The maturity profile of the Company's financial assets and liabilities as at the reporting date with respect to period lags is given in Note 35.1.

The Company manages liquidity risk by maintaining sufficient cash and ensuring the fund availability through adequate credit facilities. As at September 30, 2020, the Company has available un-availed short term borrowing facilities of Rs. 1,085,981 thousands (2019: Rs. 782,650 thousands) and also has cash & bank balances of Rs. 69,424 thousands (2019: Rs. 37,662 thousands). Based on the above, the management believes that the Company is not significantly exposed to the liquidity risk.

36.2 CAPITAL RISK MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares and take other measures commensuration to the circumstances. The Company finances its expansions projects through equity, borrowings and management of its working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

The Company monitors capital using a gearing ratio, which is net debt divided by total shareholders equity plus net debt. Net debt is calculated as total loans and borrowings less cash and bank balances. The Company's strategy was to maintain leveraged gearing. The gearing ratio as at reporting date is as follows:

	2020 (Rupees in '000)	2019
Total financing and borrowings including lease liabilities	755,246	1,049,072
Less: Cash and bank balances	(69,424)	(37,662)
Net debt	685,822	1,011,410
Total Equity	1,108,108	1,223,854
Total capital employed	1,793,930	2,235,264
Gearing Ratio	38.23%	45.25%

Consistent with others in the industry, the Company manages its capital risk by monitoring its liquid assets and keeping in view future investment requirements and expectation of the shareholders.

37 FAIR VALUES / MEASUREMENT

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

A number of the Company's accounting policies and disclosure require the measurement of fair values, for both financial, if any and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the management recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

Management assessed that the fair values of cash & cash equivalent and short term deposits, trade & other receivable, trade receivables, trade payables, short term borrowing and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. For long term asset and long term liabilities, management considers that their carrying values approximates fair value.

The fair value of land and buildings and plant and machinery is a level 3 recurring fair value measurement. Management engages an independent external expert / valuator to carry out periodic valuation of its non-financial assets (i.e. Land, Building and Plant and Machinery) and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained by the valuer. The Fair Values were determined with reference to market based evidence, based on active market prices and relevant enquiries and information as considered necessary, adjusted for any difference in nature, location or condition of the specific property. Recent valuation was carried on September 30, 2018 and following factors were considered:

Land and Building	The valuation is considered on the factors of location, need of the buyers, the overall prevailing market situation and other considerations linked with this.
Plant and Machinery	Factors taken into consideration in order to assess the present value of the machinery include Make, Model, Quality, Operational Capacity, Existing Condition, Demand and Resale Prospects, Depreciation and Obsolescence etc.

38 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged during the year for remuneration, including all benefits to the Chief Executive, Directors and Executives of the Company were as follows:

	Chief Executive		Directors		Executives		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	(Rupees in '000)							
Non executive Directors' meeting fee - 1 Director (2019: 1 Director)	—	—	405	240	—	—	405	240
Managerial remuneration - Basic	4,312	4,149	2,531	1,692	4,631	4,302	11,474	10,143
Perquisite (Bonuses, House Rent & Others)	4,562	4,936	2,456	2,055	5,508	5,638	12,526	12,629
Reimbursable expenses	3,378	1,779	1,063	—	658	843	5,099	2,622
	12,252	10,864	6,050	3,747	10,797	10,783	29,099	25,394
Number of persons	1	1	1	1	3	3	5	5

The Chief Executive and Executives as stated above are provided with the Company maintained cars and telephone facilities.

All non-executive directors except one director, waived their directors' fee, which was approved in the Board of Directors meeting.

39 RELATED PARTY TRANSACTIONS

The Company in the normal course of business carried out transactions with related parties as detailed below:

Name of Related Party	Relationship with Company	Nature of Transaction	2020	2019
(Rupees in '000)				
Mr. Ghulam Dastagir Rajar	Chairman	Cane purchased	—	35,487
.....Do.....	.....Do.....	Advance against cane purchase	—	16,715
Mr. Gul Mohammad	Ex-Chairman	Cane purchased	1,419	3,990
.....Do.....	.....Do.....	Advance against cane purchase	1,371	7,715
Mr. Muhammad Hashim	General Manager	Cane purchased	3,979	3,416
.....Do.....	.....Do.....	Advance against cane purchase	3,607	268
Mr. Gul Mohammad	Ex-Chairman	Payment of Unclaimed Dividend	—	1,535
Haji Khuda Bux Rajar	Director	Payment of Unclaimed Dividend	—	549
Mr. Rahim Bux	Director	Payment of Unclaimed Dividend	—	275
Mr. Ghulam Hyder	Chief Executive	Payment of Unclaimed Dividend	—	189
Mr. Ghulam Dastagir Rajar	Chairman	Payment of Unclaimed Dividend	—	1,500

Transactions, as applicable in relation to Directors of the Company and Key Management Personnel (KMP) have been disclosed in note # 38. Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly.

Outstanding balances of related parties as of the statement of financial position and maximum month end aggregate balance during the year are disclosed in the respective notes to the financial statements. The advances to related parties against supply of cane were disbursed for the crushing season 2019-20 (2019: 2018-19) out of which significant amount had already been adjusted against cane supplied during the crushing season whereas remaining amount has been adjusted subsequent to the year-end against the cane supplied for the crushing season Nil (2019: 2019-20).

40 ENTITY - WIDE INFORMATION

40.1 The Company constitutes of a single reportable segment, the principal class of products of which are is Sugar and by products are Molasses and Baggasse. The Company is also engaged in the sale of electric power generated in excess of in-house consumption which does not constitute as a reportable segment, as the same does not meet the threshold.

40.2 Information about geographical areas

The Company does not hold non-current assets in any foreign country. There is no revenues from external customers for attribution to foreign countries in these financial statements. The Company is also not dependent on any single customer. The analysis of sugar sales, by products and sales of trading activities are as follows:

	2020 (Rupees in '000)	2019
Sales - net		
Sugar (Local & Export)	2,938,182	2,770,439
Molasses	250,847	240,980
Baggasse	10,229	3,846
Electric Power	23,638	29,949
Trading Activities	39,727	109,345
	3,262,623	3,154,559

40.3 Information about major customers

The Company does not have transactions with any external customer, which amounts to 10 percent or more of its revenues.

41 CAPACITY AND PRODUCTION

	2020		2019	
	Quantity M. Tons	No. of days	Quantity M. Tons	No. of days
Crushing capacity	8,500	Per day	8,500	Per day
Capacity based on actual working days	926,500	109	850,000	100
Actual crushing	387,302.875	109	490,931.929	100
Sucrose recovery (in %)	10.263		10.755	
Sugar production from cane	39,804.25		52,799.25	

41.1 Main reason for under utilization of production capacity is lesser availability of sugarcane during the season.

	2020 (In Numbers)	2019
42 NUMBER OF EMPLOYEES		
Total number of Permanent & Contract employees as at the year end	422	394
Average number of Permanent & Contract employees during the year	417	400
43 DATE OF AUTHORIZATION FOR ISSUE		
These financial statements were authorized for issue on January 02, 2021 by the Board of Directors of the Company.		
44 GENERAL		
44.1	Figures have been rounded off to nearest thousand of rupees.	
44.2	Certain comparative figures have been rearranged and regrouped for better understanding and comparison.	

Chief Executive

Director

Chief Financial Officer

Pattern of Shareholding

As at September 30, 2020

Number of Shareholders	From	Shareholding To	Total Shares Held
725	1	100	16,920
136	101	500	38,674
90	501	1000	60,726
79	1001	5000	185,000
42	5001	10000	271,120
4	10001	15000	45,779
3	15001	20000	54,000
4	20001	25000	96,000
4	25001	30000	108,440
1	30001	35000	35,000
2	40001	45000	85,750
1	45001	50000	47,900
3	95001	100000	289,140
1	240001	245000	241,487
1	265001	270000	267,740
1	360001	365000	360,179
1	400001	405000	403,100
1	465001	470000	466,732
1	485001	490000	486,390
1	495001	500000	496,000
1	520001	525000	522,600
2	570001	575000	1,145,722
1	655001	660000	659,250
1	670001	675000	674,750
1	855001	860000	858,000
1	910001	915000	913,000
1	975001	980000	979,000
1	1040001	1045000	1,043,116
1	1090001	1095000	1,094,485
1,111			11,946,000

* Note: The slabs representing Nil holding have been omitted.

CATEGORIES OF SHAREHOLDERS

As at September 30, 2020

Sr #	Category of Shareholders	Number of Shares Held	Percentage %
1	Directors, Chief Executive Officer, and their spouse and minor children	1,844,216	15.4379
2	Associated Companies, undertakings and related parties	—	—
3	NIT & ICP	1,043,516	8.7353
4	Banks, DFIs, NBFIs, Mudarabas and Pension Fund	101,550	0.8501
5	Insurance Companies	267,840	2.2421
6	Joint Stock Companies	26,873	0.2250
7	Shareholders Holding 05% or more	4,519,235	37.8305
8	General Public - Local	4,142,770	34.6791
	TOTAL	11,946,000	100.0000

Detail of Pattern of Shareholding

As per Requirement of Code of Corporate Governance

As at September 30, 2020

S #	Category Name	Number of shares held	Percentage %	Category wise Number of shareholders	Category wise shares held	Percentage %
1.	Directors, Chief Executive and their spouse and minor children			7	1,844,216	15.4379
	Haji Khuda Bux Rajar	241,487	2.0215			
	* Mr. Ghulam Dastagir Rajar	659,250	5.5186			
	Mr. Ghulam Hyder	360,179	3.0151			
	Mr. Rahim Bux	572,350	4.7911			
	Mr. Mohammad Aslam	3,300	0.0276			
	Mr. Qazi Shamsuddin	4,900	0.0410			
	Mrs. Khanzady W/o Haji Khuda Bux	2,750	0.0230			
2.	**Associated Companies, Undertaking and related parties			—	—	—
3.	NIT & ICP			2	1,043,516	8.7353
	* CDC - Trustee National Investment (Unit) Trust	1,043,116	8.7319			
	Investment Corporation of Pakistan	400	0.0033			
4.	Banks, DFIS, NBFIS, Mudarabas and Pension Funds			4	101,550	0.8501
5.	Insurance Companies			2	267,840	2.2421
6.	* Shareholders holding 5% or more			5	4,519,235	37.8305
7.	Joint Stock Companies			7	26,873	0.2250
8.	General Public - Local			1084	4,142,770	34.6791
	Total			1,111	11,946,000	100.0000

* Shareholder's having 05% or more shares marked as (*) are shown in their relevant categories. The name wise details of the remaining shareholder's having 05% or more given below:

Name of Shareholders	Number of shares held	Percentage %
Mr. Ali Ghulam	858,000	7.1823
Mr. Khuda Bux	913,000	7.6427
Mr. Abdul Jabbar	979,000	8.1952
Mr. Pir Baksh	1,094,485	9.1619
** Mr. Gul Mohammad (Related Party)	674,750	5.6483
	4,519,235	37.8305

9. Information under the Code of Corporate Governance

The Directors, Executives and their spouse and minor children have not undertaken any trading of Company's shares during the year ended September 30, 2020.

10. Others

Mr. M. Abdul Jabbar represents National Investment Trust Limited, hence there are no shares held in his name. Subsequent to year-end and before Election of Directors, Ms. Nazia Azam purchased 2,500 physical shares of the Company.



Sanghar Sugar Mills Limited

Consent to receive Notices and Audited Financial Statements through email

In accordance with the notification 787(I)/2014 dated September 08, 2014 issued by the Securities & Exchange Commission of Pakistan; shareholders are entitled to receive the Notices and Audited Financial Statements through email. Therefore, to receive current and future notices and audited financial statements directly through email, please give us complete details and inform us in writing duly signed along with a copy of your CNIC / NTN to the Share Registrar or the Company and in case shares held in CDC then please inform concerned Participant / CDC investor Account Services.

SHARE HOLDER'S SECTION

The Company Secretary,
Sanghar Sugar Mills Limited,
Office No. 204, 2nd Floor, Clifton Centre,
Block 5, Clifton, Karachi.
Phone: 021 35371441 to 43 (3 lines)
Fax: 021 35371444

The Share Registrar,
Hameed Majeed Associates (Pvt) Limited
Karachi Chambers, Hasrat Mohani Road,
Karachi
Phone: 021 32424826
Fax: 021 32424835

I hereby wish to communicate my desire to receive notices and audited financial statements through email as detailed below:

Name of shareholder : _____
Folio number/CDC Account No. : _____
Contact number of shareholder : _____
Contact Address of shareholder : _____
Email ID : _____
CNIC No. : _____
NTN (in case of corporate entity) : _____

Note: Email Id should be belongs to the Shareholder and for joint account holder, email Id should be the principal shareholder and or the name appearing first in the list of shareholders.

It is stated that the above particulars given by me are correct to the best of my knowledge and I shall keep the Company informed in case of any changes in the said particulars in future.

Shareholder's Signature & date
(Affix stamp for corporate entity)

CNIC / NTN No. _____
(Copy attached)



اظہار رضامندی برائے وصولی نوٹس و آڈٹ شدہ مالیاتی دستاویزات بذریعہ ای میل

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے جاری کردہ نوٹیفیکیشن 2014 (I) 787 مجریہ 8 ستمبر 2014 کے مطابق حصص داران کو یہ حق حاصل ہے کہ تمام نوٹس اور آڈٹ شدہ مالیاتی دستاویزات انھیں بذریعہ ای میل ارسال کی جائیں۔ لہذا موجودہ اور مستقبل کے نوٹس اور آڈٹ شدہ مالیاتی دستاویزات بذریعہ ای میل موصول کرنے کیلئے آپ ہمیں اپنی مکمل معلومات فراہم کیجئے، اپنے دستخط اور قومی شناختی کارڈ / این ٹی این نمبر کے ساتھ اپنی درخواست حصص رجسٹرار یا کمپنی اور بصورت سی ڈی سی اپنے متعلقہ شراکت دار / سی ڈی سی سرمایہ کار اکاؤنٹ سروسز کے پاس جمع کروائیں۔

شعبہ حصص داران

حصص رجسٹرار
حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ
کراچی چیمبرز، حسرت موہانی روڈ، کراچی۔
فون نمبر: 021 32424826
فیکس نمبر: 021 32424835

کمپنی سیکریٹری
ساگھڑ شوگر ملز لمیٹڈ
آفس نمبر 204، سیکنڈ فلور، کلفٹن سینٹر
بلاک 5، کلفٹن، کراچی۔
فون نمبر: 021 35371441 to 43 (تین لائنیں)
فیکس نمبر: 021 32424835

میں بذریعہ ہذا یہ خواہش ظاہر کرتا ہوں کہ مستقبل میں مجھے تمام نوٹس اور آڈٹ شدہ مالیاتی دستاویزات بذریعہ ای میل ارسال کی جائیں جس کی تفصیلات

حامل حصص کا نام :
فولیو نمبر / سی ڈی سی نمبر :
حامل حصص کا رابطہ نمبر :
حامل حصص کا رابطہ کا پتہ :
ای میل آئی ڈی :
قومی شناختی کارڈ نمبر :
این ٹی این نمبر (بصورت کارپوریٹ) :

نوٹ: ای میل حامل حصص کی ہونی چاہیے اور مشترکہ اکاؤنٹ کی صورت میں اس حامل حصص کی ای میل فراہم کی جائے جس کا تناسب حصص سب سے زیادہ ہو اور جس کا نام حصص داران کی فہرست میں سرفہرست ہو۔
میرے علم کے مطابق میری جانب سے فراہم کی جانے والی مذکورہ بالا معلومات بالکل صحیح اور درست ہیں اور اگر مستقبل میں ان میں کسی بھی قسم کی کوئی تبدیلی واقع ہوتی ہے تو ایسی تبدیلی سے کمپنی کو آگاہ کر دیا جائے گا۔

دستخط حامل حصص

(بصورت کارپوریٹ ادارہ یہاں مہر چسپاں کریں)

قومی شناختی کارڈ / این ٹی این نمبر

(نقل منسلک ہے)



Sanghar Sugar Mills Limited

Dividend Payments through Electronic Mode

In accordance with the provisions and under section 242 of the Companies Act, 2017, shareholders are entitled to receive their dividends by way of direct credit to their bank account instead of receiving them through dividend warrants.

Therefore, to receive your future dividends directly in your bank account, please give us complete details and inform us in writing duly signed along with a copy of your CNIC / NTN to the Share Registrar or the Company and in case Shares held in CDC then please inform concerned Participant / CDC investor Account Services.

SHARE HOLDER'S SECTION

The Company Secretary,
Sanghar Sugar Mills Limited,
Office No. 204, 2nd Floor, Clifton Centre,
Block 5, Clifton, Karachi.
Phone: 021 35371441 to 43 (3 lines)
Fax: 021 35371444

The Share Registrar,
Hameed Majeed Associates (Pvt) Limited
Karachi Chambers, Hasrat Mohani Road,
Karachi
Phone: 021 32424826
Fax: 021 32424835

I hereby wish to communicate my desire to receive my future dividends directly in my bank account as detailed below:

Name of shareholder : _____
Folio number : _____
Contact number of shareholder : _____
Name of Bank : _____
Bank Branch & mailing address : _____
Bank Account No. (Full) : _____
Title of Account : _____
CNIC No. : _____
NTN (in case of corporate entity) : _____

It is stated that the above particulars given by me are correct to the best of my knowledge and I shall keep the Company informed in case of any changes in the said particulars in future.

Shareholder's Signature

CNIC / NTN No. _____
(Copy attached)



ادائیگی ڈیویڈنڈ بریج الیکٹرانک ذرائع

کمپنیز ایکٹ 2017 کی دفعہ 242 کے تحت حصص داران کو یہ حق حاصل ہے کہ وہ اپنے ڈیویڈنڈ براہ راست اپنے بینک اکاؤنٹ میں کریڈٹ کروالیں بجائے اس کے کہ انھیں یہ ڈیویڈنڈ بریج ڈیویڈنڈ وارنٹ ادا کئے جائیں۔

لہذا اگر آپ اپنے ڈیویڈنڈ براہ راست اپنے اکاؤنٹ میں وصول کرنا چاہتے ہیں تو آپ سے گزارش ہمیں اپنی مکمل معلومات فراہم کریں اور ہمیں تحریری طور اس بات سے آگاہ کیجئے۔ بعد دستخط اور قومی شناختی کارڈ / این ٹی این کی نقل اپنی درخواست حصص رجسٹرار یا کمپنی کے پاس جمع کروائیں اور بصورت سی ڈی سی حصص اپنے متعلقہ شراکت دار / سی ڈی سی سرمایہ کار اکاؤنٹ سروسز کو درخواست دیں۔

شعبہ حصص داران

حصص رجسٹرار
حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ
کراچی چیمبرز، حسرت موہانی روڈ، کراچی۔
فون نمبر: 021 32424826
فیکس نمبر: 021 32424835

کمپنی سیکریٹری
سانگھڑ شوگر ملز لمیٹڈ
آفس نمبر 204، سیکنڈ فلور، کلفٹن سینٹر
بلاک 5، کلفٹن، کراچی۔
فون نمبر: 021 35371441 to 43 (تین لائنیں)
فیکس نمبر: 021 32424835

میں بذریعہ ہدایہ خواہش ظاہر کرتا ہوں کہ مستقبل میں میرے ڈیویڈنڈ براہ راست میرے بینک اکاؤنٹ میں منتقل کر دیئے جائیں جس کی تفصیلات درج ذیل ہیں:

_____	:	حاصل حصص کا نام
_____	:	فولیو نمبر
_____	:	حاصل حصص کا رابطہ نمبر
_____	:	بینک کا نام
_____	:	بینک کی برانچ و پتہ
_____	:	بینک اکاؤنٹ نمبر (مکمل)
_____	:	عنوان برائے اکاؤنٹ
_____	:	قومی شناختی کارڈ نمبر
_____	:	این ٹی این نمبر (بصورت کارپوریٹ)

میرے علم کے مطابق میری جانب سے فراہم کی جانے والی مذکورہ بالا معلومات بالکل صحیح اور درست ہیں اور اگر مستقبل میں ان میں کسی بھی قسم کی کوئی تبدیلی واقع ہوتی ہے تو ایسی تبدیلی سے کمپنی کو آگاہ کر دیا جائے گا۔

دستخط حامل حصص

قومی شناختی کارڈ / این ٹی این نمبر
(نقل منسلک ہے)



Sanghar Sugar Mills Limited

Consent to receive Hard Copies of Notices and Audited Financial Statements

In accordance with the notification 470(I) dated May 31, 2016 and in continuation of notification no. 787(I)/2014 dated September 08, 2014 issued by the Securities & Exchange Commission of Pakistan; shareholders are entitled to receive the Hard Copies of Notices and Audited Financial Statements rather through email. Therefore, to receive Hard Copies of current and future notices and audited financial statements, please give us complete details and inform us in writing duly signed along with a copy of your CNIC / NTN to the Share Registrar or the Company and in case shares held in CDC then please inform concerned Participant / CDC investor Account Services.

SHARE HOLDER'S SECTION

SHARE HOLDER'S SECTION

The Company Secretary,
Sanghar Sugar Mills Limited,
Office No. 204, 2nd Floor, Clifton Centre,
Block 5, Clifton, Karachi.
Phone: 021 35371441 to 43 (3 lines)
Fax: 021 35371444

The Share Registrar,
Hameed Majeed Associates (Pvt) Limited
Karachi Chambers, Hasrat Mohani Road,
Karachi
Phone: 021 32424826
Fax: 021 32424835

I hereby wish to communicate my desire to receive notices and audited financial statements through mail as detailed below:

Name of shareholder : _____

Folio number/CDC Account No. : _____

Contact number of shareholder : _____

Contact Address of shareholder : _____

CNIC No. : _____

NTN (in case of corporate entity) : _____

It is stated that the above particulars given by me are correct to the best of my knowledge and I would like to opt the option of receiving the hard copies of notices and audited financial statements of the Company and I shall keep the Company informed in case of any changes in the said particulars in future.

Shareholder's Signature & date
(Affix stamp for corporate entity)

CNIC / NTN No. _____
(Copy attached)



اظہار رضامندی برائے وصولی نوٹس و آڈٹ شدہ مالیاتی دستاویزات بذریعہ کاغذی دستاویزات

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے جاری کردہ نوٹیفکیشن (I) 470 مجریہ 31 مئی 2016 اور نوٹیفکیشن نمبر 787(I) 2014 مجریہ 8 ستمبر 2014 کے مطابق حصص داران کو یہ حق حاصل ہے کہ تمام نوٹس اور آڈٹ شدہ مالیاتی دستاویزات انھیں بجائے ای میل کے کاغذی صورت ارسال کی جائیں۔ لہذا موجودہ اور مستقبل کے نوٹس اور آڈٹ شدہ مالیاتی دستاویزات کاغذی صورت میں موصول کرنے کیلئے آپ ہمیں اپنی مکمل معلومات فراہم کیجئے، اپنے دستخط اور قومی شناختی کارڈ/این ٹی این نمبر کے ساتھ اپنی درخواست حصص رجسٹرار یا کمپنی اور بصورت سی ڈی سی اپنے متعلقہ شراکت دار/سی ڈی سی سرمایہ کار اکاؤنٹ سروسز کے پاس جمع کروائیں۔

شعبہ حصص داران

حصص رجسٹرار
حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ
کراچی چیمبرز، حسرت موہانی روڈ، کراچی۔
فون نمبر: 021 32424826
فیکس نمبر: 021 32424835

کمپنی سیکریٹری
سانگھڑ شوگر ملز لمیٹڈ
آفس نمبر 204، سیکنڈ فلور، کلفٹن سینٹر
بلاک 5، کلفٹن، کراچی۔
فون نمبر: 021 35371441 to 43 (تین لائنیں)
فیکس نمبر: 021 32424835

میں بذریعہ ہدایہ خواہش ظاہر کرتا ہوں کہ مستقبل میں مجھے تمام نوٹس اور آڈٹ شدہ مالیاتی دستاویزات کاغذی صورت میں ارسال کی جائیں جس کی تفصیلات درج ذیل ہیں:

_____ : حامل حصص کا نام
_____ : فوئیو نمبر/سی ڈی سی نمبر
_____ : حامل حصص کا رابطہ نمبر
_____ : حامل حصص کا رابطہ کا پتہ
_____ : قومی شناختی کارڈ نمبر
_____ : این ٹی این نمبر (بصورت کارپوریٹ)

میرے علم کے مطابق میری جانب سے فراہم کی جانے والی مذکورہ بالا معلومات بالکل صحیح اور درست ہیں اور یہ کہ میں چاہتا ہوں کہ مجھے تمام نوٹس اور آڈٹ شدہ مالیاتی دستاویزات کاغذی صورت میں ارسال کی جائیں۔ اگر مستقبل میں مذکورہ بالا معلومات میں کسی بھی قسم کی کوئی تبدیلی واقع ہوتی ہے تو ایسی تبدیلی سے کمپنی کو آگاہ کر دیا جائے گا۔

_____ دستخط حامل حصص
(بصورت کارپوریٹ ادارہ یہاں مہر چسپاں کریں)
_____ قومی شناختی کارڈ/این ٹی این نمبر
(نقل منسلک ہے)



Sanghar Sugar Mills Limited

PROXY FORM

I/We..... W / S / D of

being a member of Sanghar Sugar Mills Limited, holding Shares of the Company, hereby appoint Mr. / Mrs. W / S / D of

CNIC No Folio No CDC Participant's ID. / Sub Account No holding Shares of the Company, or failing him / her, appoint Mr. / Mrs. W / S / D of

CNIC No Folio No CDC Participant's ID. / Sub Account No holding Shares of the Company, as my/our Proxy in my/our absence to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Thursday January 28, 2021 at 10:00 a.m. at Registered Office of the Company Office No. 204, 2nd Floor, Clifton Centre, Block 5, Clifton, Karachi and at any adjournment thereof.

Folio No.	C.D.C. I. D. / Sub Account No.	Signature Over Revenue Stamp

Signed thisday of..... 2021 in the presence of:

Witness 1

Signature :

Name :

CNIC No.:

Address :

Witness 2

Signature :

Name :

CNIC No.:

Address :

NOTES:

- 1) Proxy should be member of the Company and should produce his/her CNIC at the time of meeting for identification.
- 2) Signature of the member must agree with the specimen signature registered with the Company.
- 3) CDC Account holder or Sub Accountant holder should enclose valid copy of his/her CNIC/ Passport with Proxy Form. Representatives of the Corporate members should bring the necessary documents as usually required for such purpose.
- 4) Proxy Form dully filled-in and signed must be deposited with the Company Secretary at Company's Registered Office No. 204, Second Floor, Clifton Centre, Block-5, Clifton, Karachi not later than 48 hours before the time fixed for holding this meeting.
- 5) If the member is a corporate entity its common seal should be affixed to the proxy.
- 6) If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.



پراکسی فارم

میں/ہم _____ زوجہ/بن/بنت _____ بطور ممبر سانگھڑ شوگر ملز لمیٹڈ، حامل

حصص برائے کمپنی بذریعہ ہذا جناب/محترمہ _____

زوجہ/بن/بنت _____ حامل فولیو نمبر _____ سی ڈی سی شراکت دار شناختی نمبر/ذیلی

اکاؤنٹ نمبر _____ حامل _____ حصص کمپنی ہذا کو مقرر کرتا ہوں ہوں کہ میری عدم موجودگی میں کمپنی کے سالانہ

اجلاس عام جو کہ مورخہ 28 جنوری 2021 کو بوقت صبح 10:00 بجے بمقام رجسٹرڈ شدہ دفتر نمبر 204، دوسری منزل، کلفٹن سینٹر، بلاک 5، کراچی

منعقد کیا جا رہا ہے یا اس اجلاس کے مؤخر ہونے کی صورت میں اس کی جگہ دوسرے اجلاس میں شرکت کرے اور میری/ہماری جانب سے حق رائے دہی بھی استعمال کرے۔

فولیو نمبر	سی ڈی سی شناختی نمبر/ذیلی اکاؤنٹ نمبر	ریونیو کی مہر اور اس پر دستخط

دستخط شدہ بتاریخ _____ بروز _____ 2021 درج ذیل افراد کی موجودگی میں

گواہ نمبر 1 گواہ نمبر 2

دستخط _____ دستخط _____

نام _____ نام _____

کمپیوٹرائزڈ قومی شناختی کارڈ نمبر _____ کمپیوٹرائزڈ قومی شناختی کارڈ نمبر _____

پتہ _____ پتہ _____

ہدایات:

- 1- پراکسی کمپنی ممبر ہونا لازمی ہے اور اجلاس میں شرکت کے وقت اپنی شناخت ظاہر کرنے کیلئے اپنا قومی شناختی کارڈ لازماً ظاہر کریں۔
- 2- ممبر کے دستخط، نمونہ دستخط شدہ/اندراج شدہ دستخط سے مماثلت ضروری ہے۔
- 3- سی ڈی سی اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر کو پراکسی فارم کے ہمراہ کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقل منسلک کرنا ضروری ہے۔ کارپوریٹ اداروں کے نمائندوں کو معمول کے مطابق دستاویزات ساتھ لانا ضروری ہے۔
- 4- باقاعدہ پرورد دستخط شدہ پراکسی فارم کمپنی کے سیکرٹری بمقام رجسٹرڈ شدہ دفتر نمبر 204، دوسری منزل، کلفٹن سینٹر، بلاک 5، کراچی کے پاس اجلاس کے مقررہ وقت سے کم از کم 48 گھنٹے قبل جمع کرنا ضروری ہے۔
- 5- اگر ممبر کوئی کارپوریٹ ادارہ ہو تو اس کی عام مہر بھی پراکسی فارم پر ثبت ہونا لازم ہے۔
- 6- اگر ممبر ایک سے زائد پراکسی نامزد کرے اور اس مقصد کیلئے کمپنی کے پاس ایک سے زائد پراکسی فارم جمع کروائے تو ایسے تمام پراکسی فارم مسترد کر دیئے جائیں گے۔



REGISTERED / HEAD OFFICE:

Office # 204, 2nd Floor, Clifton Centre,
Block 5, Clifton, Karachi Pakistan.

Phone: 021 35371441 to 43 (3 lines)

Fax: 021 35371444

E-mail: info@sangharsugarmills.com

Website: www.sangharsugarmills.com

MANUFACTURING FACILITIES:

13th Km, Sanghar – Sindhri Road, Deh Kehore,
District Sanghar, Sindh

Phone : (0345) 3737001 – 8222911