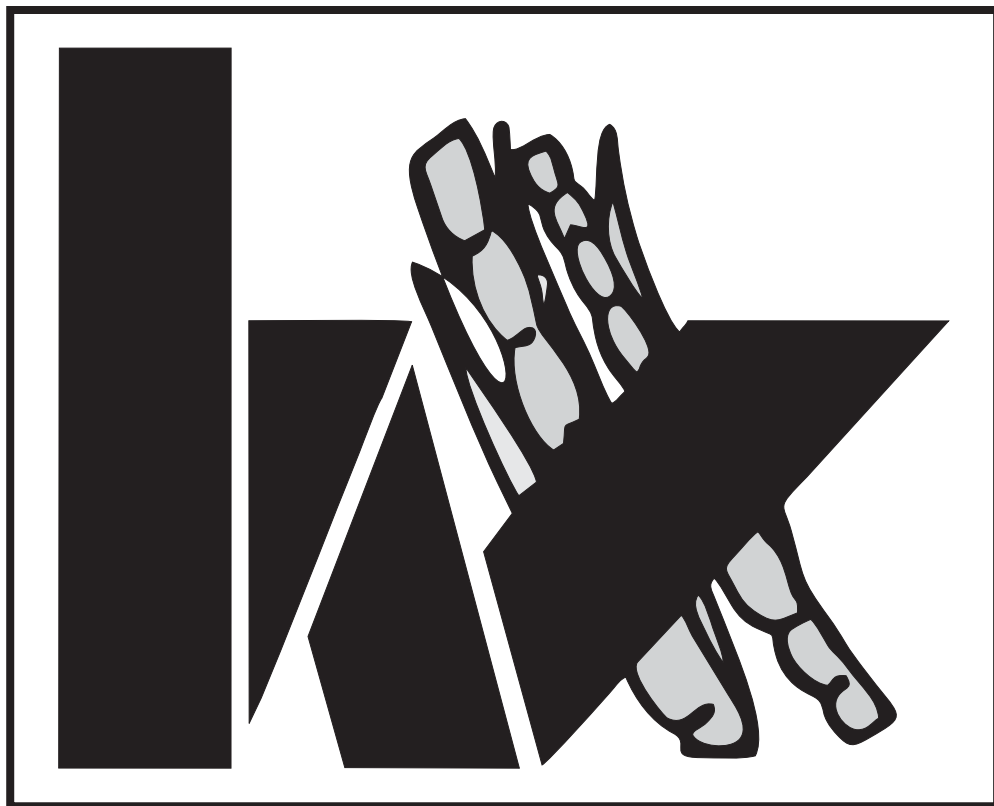


# Annual Report 2020



**HASEEB WAQAS SUGAR MILLS LIMITED**



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## Vision & Mission Statements

### THE VISION

To be the leader in Sugar Industry by building the Companys' image through quality improvement, customers' satisfaction and by maintaining a high level of Ethical and Professional Standards through the Optimum use of Resources.

### THE MISSION

- Endeavoring to be the market leader by enhancing market share and to conduct business in the best possible manner by using high level of Ethical and Professional Standards.
- Seeking long term and good trading relations with customers and suppliers with fair, honest and mutually profitable dealings.
- Building an excellent reput e of our organization and to maintain high professional and ethical standards with eyes on the future.
- Offering high quality products according to the highest international standards.
- Continuous enhancement in shareholders' value through teamwork and constant improvement in performance in all operating areas in a competitive business environment.
- Providing congenial work environment, where employees are treated with respect and dignity and work as a team for common goals.
- Contributing to the national economy by uplifting and skills diversification of the people through fulfillment of our social responsibilities.



## Company Information

### Board of Directors

1. Mr. Raza Mustafa
2. Mian Haseeb Ilyas
3. Mian Waqas Riaz
4. Mrs. Yasmin Riaz
5. Ms. Zainab Waqas
6. Mrs. Shahzadi Ilyas
7. Mrs. Zakia Ilyas
8. Miss. Aqsa Riaz

Chairman  
Director/Chief Executive  
Director  
Director  
Director  
Director  
Director  
Director

### Audit Committee

1. Mian Waqas Riaz (Chairman)
2. Mrs. Zakia Ilyas (Member)
3. Mrs. Yasmin Riaz (Member)

### Human Resource & Remuneration Committee

1. Mian Waqas Riaz (Chairman)
2. Mrs. Zainab Waqas (Member)
3. Mrs. Zakia Ilyas (Member)

### Company Secretary

Mr. Ansar Ahmed, FCA  
Tel: 042-35917313  
Email: cs@hwgc.com.pk

### Chief Financial Officer

Syed Mubashar Hussain Bukhari  
Tel: 042-35917313  
Email: hwgc@hwgc.com.pk

### Auditors

M/s Qadeer & Company  
Chartered Accountants  
32-A, Lawrence Road, Lahore

### Registrar

Hameed Majeed Associates (Pvt.) Limited  
H.M. House, 7-Bank Square, Lahore

### Mills

Mouza Jagmal, Tehsil Jattoi  
District. Muzaffargarh

### Registered Office

06-F, Model Town, Lahore  
Tel: 042-35917321-23  
Fax: 042-35917317  
Website: www.hwgc.com.pk

### Bankers

National Bank of Pakistan  
Sindh Bank Limited  
The Bank of Punjab

### Legal Advisor

Muhammad Ahsan Khan  
(Advocate)



## HASEEB WAQAS SUGAR MILLS LIMITED NOTICE OF 29<sup>th</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 29th Annual General Meeting of Haseeb Waqas Sugar Mills Limited will be held at its Registered Office, 06-F, Model Town, Lahore on Friday, 18 June 2021 at 09:00 a.m. to transact the following business:-

### ORDINARY BUSINESS:

1. To confirm the minutes of the 28th Annual General Meeting held on 28 January 2020.
2. To receive, consider and adopt the Annual Audited Accounts of the Company for the year ended 30 September 2020 together with Directors' and Auditors' Report thereon.
3. To appoint Auditors of the Company for the year ending 30 September 2021 and to fix their remuneration. The retiring auditors M/S Qadeer & Company, Chartered Accountants, being eligible, have offered themselves for re- appointment.
4. To transact any other business with the permission of the Chair.

Place: **Lahore**  
Dated: **27 May 2021**

By Order of the Board  
(**ANSAR AHMED**)  
Company Secretary

### Notes:

1. The Members Register will remain closed from 09 June 2021 to 18 June 2021 (both days inclusive). Transfers received at Hameed Majeed Associates (Pvt.) Limited, H.M. House, 7-Bank Square, Lahore, the Registrar and Shares Transfer Office of the Company, by the close of business on 08 June 2021 will be treated in time for the purpose of Annual General Meeting.
2. A member eligible to attend and vote at the meeting may appoint another member as proxy to attend and vote in the meeting. Proxies in order to be effective must be received by the company at the Registered Office not later than 48 hours before the time for holding the meeting.
3. In order to be valid, an instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney, must be deposited at the Registered Office of the Company, 06-F, Model Town, Lahore, not less than 48 hours before the time of the meeting.  
Pursuant to Companies (Postal Ballot) Regulations, 2018 the right of vote through postal ballot may be provided to the members pursuant to the section 143 and 144 of the Companies Act, 2017.
4. a) individual beneficial owners of CDC entitled to attend and vote at the meeting must bring his/her participant ID and account/sub-account number along with original CNIC or passport to authenticate his/her identity. In case of Corporate entity, resolution of the Board of Directors/Power of Attorney with specimen signatures of nominees shall be produced (unless provided earlier) at the time of meeting.  
b) For appointing of proxies, the individual beneficial owners of CDC shall submit the proxy form as per above requirement along with participant ID and account/sub account number together with attested copy of their CNIC or Passport. The proxy form shall be witnessed by two witnesses with their names, addresses and CNIC numbers. The proxy shall produce his/her original CNIC or Passport at the time of meeting. In case of Corporate entity, resolution of the Board of Director/Power of Attorney along with specimen signatures shall be submitted (unless submitted earlier) along with the proxy form.
5. In compliance with SECP notification no. 634/(1)/2014 dated 10 July 2014, the company has placed the Audited Annual Financial Statements for the year ended 30 September 2019 along with Auditors and Directors Reports thereon on its website: [www.hwgc.com.pk](http://www.hwgc.com.pk).
6. In pursuance of SECP notification S.R.O. 787(1)2014 dated 08 September 2014, the companies have been allowed to circulate their Annual Balance Sheet and Profit and Loss Accounts, Auditors, Report and Directors Report (Annual Financial Statements) along with Notice of Annual General Meeting (notice) through E-mail to the members of the Company. Members desiring to avail this facility may provide the requisite information to the Company for which form may be downloaded from the Company's website: [www.hwgc.com.pk](http://www.hwgc.com.pk).
7. In pursuance of SECP notification S.R.O. 470(1)2016 dated 31 May 2016, the company has sent information regarding Annual Audited Accounts of the company to the shareholders in soft form i.e. CD. However, the company will supply the hard copy of the Annual Audited Accounts to the shareholders on demand, at their registered addresses, free of cost, within one week of such demand. The company has placed on its website a standard request form, to communicate their need of hard copies instead of soft form.
8. Members are requested to notify any change in their registered address immediately.





## حسیب وقاص شوگر ملز لمیٹڈ

### نوٹس برائے 29 واں سالانہ اجلاس عام

اطلاع دی جاتی ہے کہ حسیب وقاص شوگر ملز لمیٹڈ کا 29 واں سالانہ اجلاس اس کے رجسٹرڈ آفس - ایف ماڈل ٹاؤن، لاہور میں جمعہ 18 جون 2021 صبح 09:00 بجے ہو گا جس کے دوران مندرجہ ذیل کارروائی ہوگی۔

#### عمومی کارروائی

- 1- گزشتہ سالانہ اجلاس عام منعقدہ 28 جنوری 2020 کی کارروائی کی تصدیق۔
- 2- 30 ستمبر 2020 کو ختم ہونے والے سال کے دوران کمپنی کے سالانہ آڈٹ اکاؤنٹس اور اس پر ڈائریکٹروں اور آڈیٹر صاحبان کی رپورٹ کی وصولی، غور و خوض اور منظوری۔
- 3- 30 ستمبر 2021 کو ختم ہونے والے سال کے لئے کمپنی کے آڈیٹر صاحبان کا تقرر اور ان کے مشاہرہ کا تعین کرنا۔ رینائر ہونے والے آڈیٹرز میسرز قدیر اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس اہل ہونے پر دوبارہ تقرری کے لئے خود کو پیش کرتے ہیں۔
- 4- صاحب صدر کی اجازت سے کسی دیگر امر پر کارروائی۔

بحکم بورڈ  
انصار احمد  
کمپنی سیکریٹری

مقام: لاہور  
تاریخ: 27 مئی 2021

#### نکات:

- 1- اراکین کے رجسٹرڈ 09 جون 2021 تا 18 جون 2021 (بشمول دونوں ایام) بند رہیں گے۔ 08 جون 2021 کو کاروباری اوقات کے اختتام تک حمید مجید ایسوسی ایشن (پرائیویٹ لمیٹڈ) ایچ ایم ہاؤس، 7 بنگ سکوائر، لاہور کمپنی کے رجسٹرڈ اور مشیر ٹرانسفر آفس کو موصول مکتبیاں سالانہ اجلاس عام کے لئے بروقت مکتبیاں تصور کی جائیں گی۔
- 2- اجلاس میں شرکت اور ووٹ کرنے کا اہل رکن اپنی جگہ شرکت اور ووٹ کرنے کے لئے کسی دوسرے رکن کو اپنا پراکسی مقرر کر سکتا ہے۔ پراکسی کو منوٹر کرنے کی غرض سے اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل پراکسیز کمپنی کے رجسٹرڈ آفس میں پہنچ جانی چاہئیں۔
- 3- توثیق کی غرض سے، پراکسی کے دستاویز اور مختار نامہ یا دیگر اتھارٹی (اگر کوئی ہے) جس کے تحت اسے طے کیا گیا ہے، یا اس مختار نامہ کی نوٹری سے تصدیق شدہ نقل کمپنی کے رجسٹرڈ دفتر 16 ایف، ماڈل ٹاؤن، لاہور میں اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل جمع کروائی جائے۔
- 4- کمپنیز قواعد 2018ء (پوسٹل بیلٹ) کی تعمیل ایکٹ کے سیکشن 143 اور 144 پر پورا اترنے والے اراکین کو پوسٹل بیلٹ کا اختیار دیا جائے گا۔
- (a) اجلاس میں شرکت اور ووٹ کے اہل CDC کے انفرادی بنی فیشل اونرز کو اپنی شناخت ثابت کرنے کے لئے اپنا شراکت آئی ڈی اور اکاؤنٹ / ذیلی اکاؤنٹ نمبر بعد اصلی شناختی کارڈ یا پاسپورٹ پیش کرنا ہوگا۔ کاروباری ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ بعد Nominee کے نمونہ کے دستخط اجلاس کے موقع پر پیش کرنا ہوں گے۔ (اگر یہ پہلے پیش نہ کیا گیا ہو۔)
- (b) پراکسیز کے تقرر کے لئے، CDC انفرادی بنی فیشل اونرز مذکورہ بالا معیار کے مطابق پراکسی فارم جمع کرنا ہوگا اور شراکت آئی ڈی اور اکاؤنٹ / ذیلی اکاؤنٹ نمبر بعد CNIC یا پاسپورٹ کی تصدیق شدہ نقل اس کے ہمراہ ہونی چاہئے۔ پراکسی فارم کی گواہی دو افراد دیں گے جن کے نام، پتے اور CNIC نمبران اس پر موجود ہونے چاہئیں۔ اجلاس کے موقع پر پراکسی کو اپنا حقیقی CNIC یا پاسپورٹ پیش کرنا ہوگا۔ کاروباری ادارہ کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ بعد نمونہ کے دستخط پراکسی فارم کے ہمراہ جمع کرنا ہوگا (اگر یہ قبل ازیں جمع نہ کرایا گیا ہو۔)
- 5- SECP کے مورخہ 10 جولائی 2014ء کے مراسلہ نمبر 2014/634 (I) کی پیروی میں کمپنی نے 30 جون 2018ء کو اختتام پذیر سال کے لئے پڑتال شدہ مالیاتی اسٹیٹمنٹس اور آڈیٹرز اور ڈائریکٹرز کی رپورٹ کمپنی کی ویب سائٹ [www.hwgc.com.pk](http://www.hwgc.com.pk) پر رکھ دی ہیں۔
- 6- SECP کے مورخہ 08 ستمبر 2014ء کے مراسلہ نمبر 2014/787 (I) SRO کی پیروی میں کمپنیوں کو اپنی سالانہ بیلنس شیٹ اور نفع و نقصان کے کھاتے، آڈیٹرز اور ڈائریکٹرز کی رپورٹ (سالانہ مالیاتی اسٹیٹمنٹس) بعد نوٹس برائے سالانہ اجلاس عام (نوٹس) بذریعہ ای میل کمپنی کے اراکین کو بھیجنے کی اجازت دی گئی ہے۔ اس سہولت کو حاصل کرنے کے خواہشمند اراکین کمپنی کو مطلوب معلومات فراہم کریں گے جس کے لئے فارم کمپنی کی ویب سائٹ [www.hwgc.com.pk](http://www.hwgc.com.pk) سے حاصل کیا جاسکتا ہے۔
- 7- SECP مورخہ 31 مئی 2016ء کے مراسلہ نمبر 2016/470 (I) SRO کی پیروی میں کمپنی نے اپنے سالانہ پڑتال شدہ کھاتوں سے متعلق اپنے حصص داران کو سافٹ فارم یعنی CD کی صورت میں معلومات فراہم کر دی ہیں۔ تاہم، کمپنی مطالبہ پر حصص داران کو سالانہ پڑتال شدہ کھاتوں کی کاغذات کی صورت میں ترسیل کی جاسکتی ہے۔ یہ معلومات درخواست کی وصولی کے ایک ہفتہ کے اندر بالکل مفت ان کے رجسٹرڈ پتے پر بھیجی جائیں گی۔ کمپنی نے اپنے ویب سائٹ پر معیاری درخواست فارم رکھ دیا ہے تاکہ وہ سافٹ فارم کی بجائے کاغذات کی صورت میں مطلوب معلومات حاصل کر سکیں۔
- 8- اراکین سے درخواست کی جاتی ہے کہ اپنے رجسٹرڈ پتے میں تبدیلی کی صورت میں فوراً کمپنی کو آگاہ کریں۔



## HASEEB WAQAS SUGAR MILLS LIMITED Chairman's Review

A Review Report by the Chairman on Board's overall performance and effectiveness of role played by the Board in achieving the Company's objectives u/s 192 of the Companies Act 2017.

As required under the Code of Corporate Governance, an annual evaluation of the Board of Directors (the "Board") of Haseeb Waqas Sugar Mills Limited (the "Company") is carried out. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company. Areas where improvements are required are duly considered and action plans are framed.

I am pleased to present the Annual Review for the year ended 30 September 2020:

- The Board of Directors ("the Board") of Haseeb Waqas Sugar Mills Limited, has performed their duties diligently in upholding the best interest of shareholders' of the Company and has managed the affairs of the Company in an effective and efficient manner.
- The Board of Haseeb Waqas Sugar Mills Limited is highly professional and experienced people. They bring a vast experience including the independent director. All board members are well aware of their responsibilities and fulfilling these diligently.
- The Board has adequate representation of non-executive and independent directors on the Board and its committees as required under the Code and that members of the Board and its respective committees has adequate skill experience and knowledge to manage the affairs of the Company;
- The Board has ensured that the directors are provided with orientation courses to enable them to perform their duties in an effective manner. The Board has arranged Director's Training program for newly appointed Director Miss. Aqsa Riaz and the remaining directors meet the qualification and experience criteria of the Code.
- The Board has formed an Audit and Human Resource and Remuneration Committee and has approved their respective terms of references and has assigned adequate resources so that the committees perform their responsibilities diligently.
- The Board has ensured that the meetings of the Board and that of its committee were held with the requisite quorum, all the decision making were taken through Board resolution and that the minutes of all the meetings (including committees) are appropriately recorded and maintained.



- The Board has actively participated in strategic planning process enterprise risk management system, policy development, and financial structure, monitoring and approval. All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision making process
- All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision making process and particularly all the related party transactions executed by the Company were approved by the Board on the recommendation of the Audit Committee.
- The Board has ensured that the adequate system of internal control is in place and its regular assessment through self-assessment mechanism and /or internal audit activities.
- The Board has prepared and approved the director's report and has ensured that the director report is published with the quarterly and annual financial statement of the Company and the content of the directors report are in accordance with the requirement of applicable laws and regulation.
- The Board has exercised its powers in light of the power assigned to the Board in accordance with the relevant laws and regulation applicable on the Company and the Board has always prioritized the Compliance with all the applicable laws and regulation in terms of their conduct as directors and exercising their powers and decision making.
- The Board has ensured the hiring, evaluation and compensation of the Chief Executive and other key executives including Chief Financial Officer, Company Secretary, and Head of internal Audit.
- The Board has ensured that adequate information is shared among its members in a timely manner and the Board members are kept abreast of developments between meetings.

I would like to place on record with thanks and appreciation to my fellow directors, shareholders, management and staff for their continued support in very challenging operating conditions. I look forward for more future success for the Company.

Lahore  
26 May 2021

Raza Mustafa  
Chairman





## حسیب وقاص شوگر ملز لمیٹڈ چیئرمین کا جائزہ

چیئرمین کی طرف سے بورڈ کی مجموعی کارکردگی اور کمپنیوں کے ایکٹ 2017 کے کمپنی کے مقاصد کے حصول میں بورڈ کے ذریعہ ادا کردہ کردار کی تاثیر سے متعلق ایک جائزہ رپورٹ۔

جیسا کہ کوڈ کارپوریٹ گورننس کے تحت ضروری ہے ، حسیب وقاص شوگر ملز لمیٹڈ ("کمپنی") کے بورڈ آف ڈائریکٹرز ("بورڈ") کی سالانہ جانچ پڑتال کی جاتی ہے۔ اس تشخیص کا مقصد یہ یقینی بنانا ہے کہ بورڈ کی مجموعی کارکردگی اور تاثیر کو کمپنی کے لئے طے شدہ مقاصد کے تناظر میں توقعات کے خلاف پیمائش اور معیار بنایا جائے۔ جن علاقوں میں بہتری کی ضرورت ہوتی ہے ان پر باقاعدگی سے غور کیا جاتا ہے اور عملی منصوبے تیار کیے جاتے ہیں۔

مجھے 30 ستمبر 2020 کو ختم ہونے والے سال کا سالانہ جائزہ پیش کرنے پر خوشی ہے:

- حسیب وقاص شوگر ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز ("بورڈ") نے کمپنی کے شیئر ہولڈرز کے بہترین مفاد کو برقرار رکھنے کے لئے پوری تندی سے اپنے فرائض انجام دیئے ہیں اور کمپنی کے امور کو موثر اور موثر انداز میں نبھایا ہے۔
- حسیب وقاص شوگر ملز لمیٹڈ کا بورڈ انتہائی پیشہ ور اور تجربہ کار افراد ہے۔ وہ آزاد ڈائریکٹر سمیت ایک وسیع تجربہ لاتے ہیں۔ بورڈ کے تمام ممبران اپنی ذمہ داریوں سے بخوبی واقف ہیں اور ان کو پوری تندی سے نبھا رہے ہیں۔
- ضابطہ اخلاق کے تحت بورڈ کے پاس بورڈ اور اس کی کمیٹیوں میں غیر ایگزیکٹو اور آزاد ڈائریکٹرز کی مناسب نمائندگی ہے اور بورڈ کے ممبران اور اس سے متعلقہ کمیٹیوں کے پاس کمپنی کے امور کو سنبھالنے کے لئے مناسب مہارت اور تجربہ ہے۔
- بورڈ نے اس بات کو یقینی بنایا ہے کہ ہدایت کاروں کو موثر انداز میں اپنے فرائض کی انجام دہی کے قابل بنانے کے لئے اوریینٹیشن کورسز مہیا کیے جائیں۔ بورڈ نے نو تعینات ڈائریکٹر مس اقصی ریاض کے لئے ڈائریکٹر کے ٹریننگ پروگرام کا اہتمام کیا ہے اور بقیہ ڈائریکٹرز ضابطہ اخلاق کی اہلیت اور تجربے کے معیار پر پورا اترے ہیں۔
- بورڈ نے آڈٹ اور انسانی وسائل اور معاوضہ کمیٹی تشکیل دی ہے اور ان کے متعلقہ حوالوں کی شرائط کو منظور کر لیا ہے اور مناسب وسائل تفویض کیے ہیں تاکہ کمیٹیاں اپنی ذمہ داریوں کو پوری تندی سے ادا کریں۔
- بورڈ نے اس بات کو یقینی بنایا ہے کہ بورڈ اور اس کی کمیٹی کی میٹنگیں لازمی کورم کے ساتھ منعقد کی گئیں ، تمام فیصلہ سازی بورڈ کی قرارداد کے ذریعہ کی گئی تھی اور یہ کہ تمام میٹنگوں (جن میں کمیٹیوں سمیت) کے منٹس کو مناسب طور پر ریکارڈ اور برقرار رکھا جائے۔
- بورڈ نے اسٹریٹجک پلاننگ عمل انٹرپرائز رسک مینجمنٹ سسٹم ، پالیسی ڈویلپمنٹ ، اور مالی ڈھانچے ، نگرانی اور منظوری میں فعال طور پر حصہ لیا ہے۔ کارپوریٹ فیصلہ سازی کے عمل کو مستحکم اور باقاعدہ بنانے کے لئے بورڈ یا اس کی کمیٹیوں کے سامنے سال بھر کے تمام اہم امور پیش کیے گئے



- کارپوریٹ فیصلہ سازی کے عمل کو مستحکم اور باقاعدہ بنانے کے لئے سال بھر کے تمام اہم امور بورڈ یا اس کی کمیٹیوں کے سامنے پیش کیے گئے تھے اور خاص طور پر کمپنی کے ذریعہ انجام دی جانے والی پارٹی سے متعلقہ تمام لین دین کو آڈٹ کمیٹی کی سفارش پر بورڈ نے منظور کیا تھا۔
- بورڈ نے اس بات کو یقینی بنایا ہے کہ داخلی کنٹرول کا مناسب نظام موجود ہے اور اس کا باقاعدہ جائزہ از خود تشخیص کے طریقہ کار اور / یا داخلی آڈٹ سرگرمیوں کے ذریعے ہوتا ہے۔
- بورڈ نے ڈائریکٹر کی رپورٹ تیار اور منظوری دی ہے اور اس بات کو یقینی بنایا ہے کہ ڈائریکٹر کی رپورٹ کمپنی کے سہ ماہی اور سالانہ مالی بیان کے ساتھ شائع کی جائے اور ڈائریکٹرز کی رپورٹ کا مواد قابل اطلاق قوانین اور ضابطے کی ضرورت کے مطابق ہو۔
- بورڈ نے اپنے اختیارات کا استعمال بورڈ پر تفویض اختیارات کی روشنی میں کمپنی پر لاگو متعلقہ قوانین اور ضابطے کے مطابق کیا ہے اور بورڈ نے ہمیشہ اپنے اطلاق کے لحاظ سے تمام لاگو قوانین اور ضابطے کی تعمیل کو ترجیح دی ہے بطور ڈائریکٹر اور ان کے اختیارات اور فیصلہ سازی کا استعمال۔
- بورڈ نے چیف ایگزیکٹو اور دیگر اہم عہدیداروں کی خدمات ، تشخیص اور معاوضے کو یقینی بنایا ہے جس میں چیف فنانشل آفیسر ، کمپنی سیکریٹری ، اور ہیڈ آف اندرونی آڈٹ شامل ہیں۔
- بورڈ نے اس بات کو یقینی بنایا ہے کہ بروقت اپنے ممبروں کے درمیان مناسب معلومات کا تبادلہ کیا جائے اور بورڈ ممبران کو میٹنگوں کے مابین پیش آنے والے واقعات کو پیش نظر رکھا جائے۔
- میں اپنے ساتھی ڈائریکٹرز ، سینئر ہولڈرز ، مینجمنٹ اور عملے کا شکریہ اور تعریف کے ساتھ ریکارڈنگ کرنا چاہتا ہوں جو آپ کو انتہائی مشکل آپریٹنگ شرائط میں ان کی مسلسل مدد کے لئے دیتا ہے۔ میں کمپنی کے لئے مزید مستقبل کی کامیابی کے منتظر ہوں۔

*Raza Mustafa*

رضا مصطفیٰ  
چیئرمین

لاہور  
26 مئی 2021



## DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2020

The Directors of your Company take pleasure in presenting the Company's 29<sup>th</sup> Annual Report and Audited Financial Statements for the year ended 30 September 2020 together with the Auditors' Report thereon.

## OPERATIONAL PERFORMANCE

The operating results for period under review are as under

		2020	2019
		:	
Crushing days	Days	-	-
Average recovery	%age	-	-
Cane crushed	M.T	-	-
Sugar produced	M. T	-	-

Since review petition dismissed by August Supreme Court of Pakistan, we could not operate mills hence incurred losses.

## FINANCIAL INDICATORS

The financial results of your company for the year ended 30 September 2020 are summarized as follows:

	For the year ended 30 September 2020 (Rupees in Thousand)	
	2020	2019
Net Sales	-	-
Gross Profit/ (Loss)	(168,405)	(187,476)
Net Profit / (Loss) before tax	(411,015)	(427,308)
Net Profit (Loss) after tax	(362,123)	(336,997)
Basic Earning	(11.18)	(10.40)

The Company moved an application to Ministry of Industries, under Section 3 of the Punjab Industries (Control on Establishment and Enlargement) Ordinance, 1963. The application has been turned down by Ministry of Industries. The Company also moving an petition against the same in Lahore High Court, Lahore.

The financial statements of the Company indicate that the During the year, the Company incurred loss amounting to Rs.362,123 million (September 30, 2019: Rs.336,996) and accumulated losses raised to Rs.3,837.97million (September 30, 2019: Rs. 3,543.69million) at the year end. In addition, the Company's current liabilities exceeded its current assets by Rs. 3,825.48 million (September 30, 2019: Rs.3,174.982 million) at the year end.

## AUDITORS' QUALIFICATION

Regarding auditors' qualification, we would like to submit as under:

1. Since shifting of sugar mill from Nankana to Muzafar Garh, challenged by Southern Punjab sugar mills therefore we could not run the mill at its present location due to various court orders, which resulted huge losses and severe financial crunch hence the bank loan defaulted and financial institutions filed recovery suit for the same.
2. Due to the factor stated above, we could not pay sales tax, therefore FBR black listed our unit.



## OPERATIONAL MEASURES

We would like to submit that till the company has sufficient funds either to bring it back to its original location as ordered by Supreme Court of Pakistan or we get relief from Government of Punjab in the shape of approval under section 3 of the Punjab Industries (Control & Enlargement) Ordinance, 1963 which we apprehend to get the same by filing writ petition in Lahore High Court, Lahore. There is no way out to be seen in future.

In view of above issues Company has already taken following mitigating steps:

Restructuring of loan from Silk Bank Limited amounting to Rs. 390 million is in process.

Shifting of mill to Alipur Jatoi, Muzaffargarh has been completed where sugar cane availability and sugar recovery are better.

BMR has been done and we will see impact of this BMR in the financials of coming season.

The management foresees positive cash flow from future operations in expectation of better availability of sugar cane and sugar prices in coming season, since sugar dynamics are good and rising.

The projected financial statements prepared by the management to support its going concern assessment is based on following assumptions.

	<b>Projected</b>		
	<b>2021</b>	<b>2022</b>	<b>2023</b>
	780,000	800,000	800,000
	200	205	210
	70	75	80

Sugar Cane Crushing M.T

Sugar cane rate

Sugar price per Kg

However, it is believed that considering the mitigating factors set out in the preceding paragraphs, the going concern assumption is appropriate. Our review petition (regarding shifting of mill to Alipur Jatoi) dismissed by Supreme Court and management considering alternate options available including but not limited to application to Ministry of Industries and Planning under Section 3 of the Punjab Industries (Control on Established and Enlargement) Ordinance, 1963.

## CHANGES ON THE BOARD OF DIRECTORS

Since the last Annual General Meeting there is no change in the Board of Directors of the Company. Mian Haseeb Ilyas, has been re-appointed as Chief Executive on 10 April 2021.

## FUTURE OUTLOOK

The Management of the company moved an application to Ministry of Industries, under section 3 of the Punjab Industries (Control & Enlargement) Ordinance, 1963. The application has been turned down by the Ministry of Industries. The management is in process of moving petition against the same in Lahore High Court, Lahore.

## DIVIDEND

As the Company is in the phase of heavy losses, therefore, no dividend is being declared.

## AUDITORS

The present auditors M/s Qadeer & Co., Chartered Accountants, are retiring and being eligible, have offered themselves for re-appointment for the ensuing year. The Audit Committee has recommended the re-appointment of M/s Qadeer & Co., Chartered Accountants, as auditors of the Company for year ending 30 September 2021.

## CODE OF CORPORATE GOVERNANCE

During the financial year 2020 "Listed Companies (Code of Corporate Governance) Regulations" has been implemented which requires certain changes in the composition of the Board and its Committee.





## STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK:

The following statements are a manifestation of its commitment towards compliance with best practices of Code of Corporate Governance:-

- 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.
- Proper books of accounts have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and departure there from, if any, has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented by the management and monitored by internal and external Auditors as well as Audit Committee. The Board reviews the effectiveness of established internal control through Audit Committee and further improvement in the internal control systems, wherever required.
- There are no doubts upon the Company's ability to continue as a going concern. The Company has adequate resources to continue in operation for the foreseeable future.
- There has been no material departure from the best practices of the Corporate Governance as detailed in the Listing Regulations.
- Key operating and financial data of last six years, in summarized form, is annexed.
- Information about outstanding taxes and other government levies are given in related note(s) to the accounts.
- The company strictly complies with the standard of safety rules & regulations. It also follows environmental friendly policies.
- During the year under review, Two (02) meetings of the Board of Directors were held. The attendance by each Director is as follows:

<i>Sr. No.</i>	<i>Name of Directors</i>	<i>Attendance</i>
1.	Mr. Raza Mustafa	2
2.	Mian Haseeb Ilyas (CEO)	2
3.	Mian Waqas Riaz	2
4.	Mrs. Zainab Waqas	2
5.	Mrs. Shahzadi Ilyas	2
6.	Mrs. Zakia Ilyas	2
7.	Mrs. Yasmin Riaz	2
8.	Miss. Aqsa Riaz	2



- Due to Covid 19, company could not prepared its Half yearly and Annual Accounts and conduct its Board of Directors Meeting with in due date.
- The Statement of Code of Ethics and Business Practices has been developed and duly signed by the directors and employees of the Company in acknowledgement thereof.
- The Board has constituted an Audit Committee in compliance with the Code of Corporate Governance. It comprises of the following three (3) members who are Non-Executive Directors;

<i>Sr. No.</i>		<i>Designation</i>
1.	Mian Waqas Riaz	Chairman
2.	Mrs. Zakia Ilyas	Member
3.	Mrs. Yasmin Riaz	Member

- A statement of the pattern of shareholdings and additional information as at 30 September 2020 is annexed.
- No trading of shares by the Directors, Chief Executive, and Chief Financial Officer, Company Secretary and their spouses & minor children has been carried out during the year.
- All the major decisions relating to investment or disinvestment of funds, changes in significant policies and overall corporate strategies, appointment, remuneration and terms & conditions of appointment of Chief Executive Officer and Executive Directors are taken over by the Board of Directors.

## ACKNOWLEDGEMENT:

The Board expresses sincere appreciation to sugarcane growers, valuable customers, regulatory departments of the Government, financial institution and acknowledges the continued interest and support of esteemed shareholders and extremely grateful for their trust and confidence.

The directors deeply appreciate devotion, loyalty hard work and the laudable services rendered by the executives, all the employees and workers of the Company at its various divisions which enable us to pursue our corporate objectives with the renewed vigor.

On behalf of the Board

(MIAN HASEEB ILYAS)  
Chief Executive

Lahore  
26 July 2021



ڈائریکٹرز کی رپورٹ  
سال ختم ہونے والے 30 ستمبر 2020 کے لئے

آپ کی کمپنی کے ڈائریکٹرز اس کمپنی کی 29 ویں سالانہ رپورٹ پیش کرنے میں خوش ہوں گے اور 30 ستمبر 2020 کو ختم ہونے والے سال کے لئے آڈٹ شدہ رپورٹ کے ساتھ آڈٹ شدہ مالیاتی بیانات پیش کریں گے۔

آپریشنل کارکردگی

زیر غور مدت کیلئے آپریٹنگ نتائج درج ذیل ہیں:

		2020	2019
کرشنگ ایام	دن	-	-
اوسط بحالی	% عمر	-	-
کین کچل دی	ایم ٹی	-	-
شوگر تیار کی گئی	ایم ٹی	-	-

چونکہ اگست کی سپریم کورٹ آف پاکستان نے نظر ثانی کی درخواست خارج کردی تھی ، ہم ملوں کو چلانے میں کامیاب نہیں ہوسکے اس لئے نقصان اٹھانا پڑا۔

مالی اشارے

30 ستمبر 2020 کو ختم ہونے والے سال کے آپ کی کمپنی کے مالی نتائج کا خلاصہ اس طرح کیا گیا ہے:

	سال ختم ہوا 30 ستمبر 2020 (ہزار میں روپیہ)	
	2020	2019
خالص فروخت	-	-
مجموعی منافع / (نقصان)	(168,405)	(187,476)
ٹیکس سے پہلے خالص منافع / (نقصان)	(411,015)	(427,308)
ٹیکس کے بعد خالص منافع (نقصان)	(362,123)	(336,997)
بنیادی کمائی	(11.18)	(10.40)

کمپنی نے پنجاب انڈسٹریز (اسٹیبلشمنٹ اینڈ انشلیمنٹ پر کنٹرول) آرڈیننس ، 1963 کے سیکشن 3 کے تحت وزارت صنعت کو درخواست دی۔ وزارت صنعت کے ذریعہ اس درخواست کو مسترد کردیا گیا ہے۔ کمپنی نے لاہور ہائیکورٹ ، لاہور میں بھی اس کے خلاف درخواست دائر کی۔

کمپنی کے مالی بیانات سے پتہ چلتا ہے کہ سال کے دوران ، کمپنی کو 362,123 ملین روپے (30 ستمبر ، 2019: 336,996 روپے) کا خسارہ ہوا اور جمعہ خسارہ 3,837.97 ملین روپے (30 ستمبر ، 2019: روپے) تک پہنچ گیا۔ 3,543.69 ملین) سال کے آخر میں۔ اس کے علاوہ ، کمپنی کی موجودہ واجبات نے اس کے موجودہ اثاثوں کو 3,825.48 ملین روپے سے بھی تجاوز کیا۔ ملین (ستمبر 30 ، 2019: 3,174.982 ملین روپے) سال کے آخر میں۔

شائقین کی اہلیت

آڈیٹرز کی اہلیت کے بارے میں ، ہم ذیل میں یہ عرض کرنا چاہیں گے:



1. چونکہ ننکانہ سے شوگر مل کو مظفر گڑھ منتقل کیا گیا ، جنوبی پنجاب شوگر ملوں نے اسے للکارا لہذا مختلف عدالتی احکامات کی وجہ سے ہم مل اس کے موجودہ مقام پر نہیں چلا سکے جس کے نتیجے میں بہت بڑا نقصان اور شدید مالی بحران پیدا ہوا جس کی وجہ سے بینک لون ڈیفالٹ ہو گیا اور مالیاتی اداروں نے اسی کے لئے بازیابی کا مقدمہ درج کیا۔
2. مذکورہ عنصر کی وجہ سے ، ہم سیلز ٹیکس ادا نہیں کر سکے ، لہذا ایف بی آر بلیک نے ہمارے یونٹ کو درج کیا۔

## آپریشنل اقدامات

ہم یہ عرض کرنا چاہیں گے کہ جب تک کمپنی کے پاس کافی فنڈز موجود نہیں ہیں یا پھر اسے اپنے اصل مقام پر واپس لایا جائے جیسا کہ سپریم کورٹ آف پاکستان نے حکم دیا ہے یا ہمیں پنجاب انڈسٹریز (کنٹرول) کے سیکشن 3 کے تحت منظوری کی شکل میں حکومت پنجاب سے راحت ملے گی۔ اور توسیع آرڈیننس ، 1963 جس کو ہم لاہور ہائیکورٹ ، لاہور میں رٹ پٹیشن دائر کر کے اسی کو حاصل کرنے کی گرفت کرتے ہیں۔ مستقبل میں دیکھے جانے کا کوئی راستہ نہیں ہے۔

مندرجہ بالا مسائل کے پیش نظر کمپنی پہلے ہی کم کرنے کے اقدامات پر عمل پیرا ہے: سلک بینک لمیٹڈ سے قرض کی تشکیل نو جس کی رقم 390 ملین ڈالر کا عمل جاری ہے۔ مل کی علی پور جاتی، مظفر گڑھ منتقلی مکمل کر لی گئی ہے جہاں گئے کی دستیابی اور چینی کی بحالی بہتر ہے۔

بی ایم آر ہو چکا ہے اور ہم آنے والے موسم کے مالیات میں اس بی ایم آر کے اثرات دیکھیں گے۔ انتظامیہ آنے والے سیزن میں گئے اور چینی کی قیمتوں کی بہتر دستیابی کی توقع میں مستقبل کی کارروائیوں سے مثبت نقد بہاؤ کی پیش گوئی کرتی ہے کیونکہ چینی کی حرکیات اچھی اور بڑھتی ہوئی ہیں۔ انتظامیہ کی طرف سے اس کی جاری تشویش کی تشخیص کی حمایت کے لئے تیار کردہ پیش کردہ مالی گوشوارے مندرجہ ذیل مفروضوں پر مبنی ہیں۔

Projected		
2021	2022	2023
780,000	800,000	800,000
200	205	210
70	75	80

شوگر کین کرشنگ ایم ٹی

گنے کی شرح

چینی کی قیمت فی کلو

تاہم یہ خیال کیا جاتا ہے کہ پچھلے پیراگراف میں طے شدہ کم کرنے والے عوامل کو مدنظر رکھتے ہوئے ، تشویش کا جاری مفروضہ مناسب ہے ہماری نظر ثانی درخواست (مل کو علی پور جاتی منتقل کرنے کے بارے میں) سپریم کورٹ اور انتظامیہ کی طرف سے خارج کی گئی متبادل اختیارات پر غور کرتے ہوئے بشمول پنجاب انڈسٹریز (قائم شدہ اور اضافہ پر کنٹرول) آرڈیننس کے سیکشن 3 کے تحت وزارت صنعت و منصوبہ بندی کو درخواست دینے تک محدود نہیں ہے۔ ، 1963

## ڈائریکٹرز کے بورڈ پر تبدیلیاں

آخری سالانہ عمومی اجلاس کے بعد سے کمپنی کے بورڈ آف ڈائریکٹرز میں کوئی تبدیلی نہیں کی گئی ہے۔ میاں حسیب الیاس ، 10 اپریل 2021 کو دوبارہ چیف ایگزیکٹو مقرر ہوئے ہیں۔

## مستقبل آؤٹ لک

اس کمپنی کی انتظامیہ نے پنجاب انڈسٹریز (کنٹرول اور توسیع) آرڈیننس ، 1963 کے سیکشن 3 کے تحت وزارت صنعت کو درخواست دی۔ وزارت صنعت کے ذریعہ اس درخواست کو مسترد کر دیا گیا ہے۔ انتظامیہ اس کے خلاف لاہور ہائیکورٹ ، لاہور میں درخواست چلانے کا عمل جاری رکھے ہوئے ہے۔

## تقسیم کریں

چونکہ کمپنی بھاری نقصانات کے مرحلے میں ہے ، لہذا ، کوئی منافع کا اعلان نہیں کیا جا رہا ہے۔

## مصنفین

موجودہ آڈیٹرز میسرز قدیر اینڈ کمپنی ، چارٹرڈ اکاؤنٹنٹس ، ریٹائر ہو رہے ہیں اور اہل ہونے کے ناطے ، انہوں نے اپنے آپ کو آئندہ سال کے لئے دوبارہ تقرری کے لئے پیش کیا ہے۔ آڈٹ کمیٹی نے میسرز قدیر اینڈ کمپنی ، چارٹرڈ اکاؤنٹنٹس کو 30 ستمبر 2021 کو ختم ہونے والے سال کے لئے کمپنی کے آڈیٹر کی حیثیت سے دوبارہ تقرری کی سفارش کی ہے۔

## کارپوریٹ حکومت کا ضابطہ

مالی سال 2020 کے دوران "السٹڈ کمپنیاں (کوڈ کارپوریٹ گورننس) ریگولیشنز" نافذ کی گئی ہے جس کے لئے بورڈ اور اس کی کمیٹی کی تشکیل میں کچھ خاص تبدیلیوں کی ضرورت ہے۔

کارپوریٹ اور مالی رپورٹنگ فریم ورک پر بیان:

مندرجہ ذیل بیانات کوڈ آف کارپوریٹ گورننس کے بہترین طریقہ کار کی تعمیل کے لئے اپنی وابستگی کا مظہر ہیں۔

- کمپنی کے انتظام کے ذریعہ تیار کردہ مالی بیانات ، اس کی امور کی منصفانہ حیثیت ، اس کے کاروائیوں کے نتائج ، نقد بہاؤ اور ایکویٹی میں بدلاؤ پیش کرتے ہیں۔





- اکاؤنٹس کی مناسب کتابیں برقرار رکھی گئی ہیں۔
- مالی بیانات کی تیاری کے لئے مناسب اکاؤنٹنگ پالیسیاں مستقل طور پر لاگو کی گئیں۔ حساب کتاب کا تخمینہ معقول اور محتاط فیصلے پر مبنی ہوتا ہے۔
- بین الاقوامی اکاؤنٹنگ معیارات ، جیسا کہ پاکستان میں قابل اطلاق ہیں ، مالی بیانات کی تیاری کے سلسلے میں عمل کیا گیا ہے اور وہاں سے روانگی ، اگر کوئی ہے تو ، کا کافی انکشاف کیا گیا ہے۔
- اندرونی کنٹرول کا نظام ڈیزائن میں مستحکم ہے اور انتظامیہ کے ذریعہ مؤثر طریقے سے نافذ کیا گیا ہے اور اندرونی اور بیرونی آڈیٹرز کے ساتھ ساتھ آڈٹ کمیٹی کے ذریعہ نگرانی کی جاتی ہے۔ بورڈ آڈٹ کمیٹی کے ذریعہ قائم کردہ اندرونی کنٹرول کی تاثیر اور داخلی کنٹرول سسٹم میں مزید بہتری کا جائزہ لیتا ہے ، جہاں جہاں ضرورت ہوتی ہے۔
- کمپنی کی تشویش کی حیثیت سے جاری رکھنے کی صلاحیت پر کوئی شک نہیں ہے۔ کمپنی کے پاس مستقبل قریب میں کام جاری رکھنے کے لئے کافی وسائل موجود ہیں۔
- کارپوریٹ گورننس کے بہترین طریق کار سے کسی قسم کا مراعات نہیں ہوا ہے جیسا کہ فہرست سازی کے ضوابط میں تفصیل ہے۔
- خلاصہ شکل میں گذشتہ چھ سالوں کے اہم آپریٹنگ اور مالی اعداد و شمار کو الحاق کیا گیا ہے۔
- بقایاجات اور دیگر سرکاری محصولات کے بارے میں معلومات اکاؤنٹس کو متعلقہ نوٹ (زبانیں) میں دی جاتی ہیں۔
- کمپنی حفاظتی قواعد و ضوابط کے معیار کے ساتھ سختی سے عمل کرتی ہے۔ یہ ماحولیاتی دوستانہ پالیسیوں کی بھی پیروی کرتا ہے۔
- زیر غور سال کے دوران ، بورڈ آف ڈائریکٹرز کے دو (02) اجلاس ہوئے۔ ہر ڈائریکٹر کی حاضری مندرجہ ذیل ہے۔

سینئر نمبر	ڈائریکٹرز کا نام	حاضری
1.	جناب رضا مصطفیٰ	2
2	میاں حسیب الیاس (سی ای او)	2
3.	میاں وقاص ریاض	2
4	مسز زینب وقاص	2
5	مسز شہزادی الیاس	2
6.	مسز نکبہ الیاس	2
7.	مسز یاسمین ریاض	2
8.	مس اقصی ریاض	2

- کوویڈ 19 کی وجہ سے ، کمپنی اپنا نصف سالانہ اور سالانہ کھاتہ تیار نہیں کرسکا اور مقررہ تاریخ کے ساتھ اس کے بورڈ آف ڈائریکٹرز کے اجلاس کا انعقاد نہیں کرسکا۔
- ضابطہ اخلاق اور کاروباری طریقوں کے بیان کو کمپنی کے ڈائریکٹرز اور ملازمین نے تسلیم کرتے ہوئے تیار کیا ہے اور اس پر دستخط کیے ہیں۔



- بورڈ نے کارپوریٹ گورننس کے ضابطہ اخلاق کی تعمیل میں آڈٹ کمیٹی تشکیل دی ہے۔ اس میں درج ذیل تین (3) ممبران شامل ہیں جو غیر ایگزیکٹو ڈائریکٹر ہیں۔

سیئر نمبر	میاں وقاص ریاض	عہدہ
1-	میاں وقاص ریاض	چیئرمین
2	مسز ذکیہ الیاس	رکن
3-	مسز یاسمین ریاض	رکن

- حصص یافتگی کے انداز اور اضافی معلومات کے بارے میں 30 ستمبر 2020 کو بیان جوڑا گیا ہے۔
- ایک سال کے دوران ڈائریکٹرز ، چیف ایگزیکٹو ، اور چیف فنانشل آفیسر ، کمپنی سکریٹری اور ان کے شریک حیات اور نابالغ بچوں کی طرف سے حصص کی کوئی تجارت نہیں کی گئی ہے۔
- سرمایہ کاری یا فنڈز کی عدم سرمایہ کاری ، اہم پالیسیوں اور مجموعی کارپوریٹ حکمت عملیوں میں تبدیلی ، تقرری ، معاوضے اور شرائط و چیف ایگزیکٹو آفیسر اور ایگزیکٹو ڈائریکٹرز کی تقرری کی شرائط سے متعلق تمام اہم فیصلے بورڈ آف ڈائریکٹرز کے زیر اقتدار ہیں۔

اعتراف:

بورڈ نے گنے کے کاشتکاروں ، قیمتی صارفین ، حکومت کے انضباطی محکموں ، مالیاتی ادارے سے دلی تحسین کا اظہار کیا اور معزز حصص یافتگان کی مستقل دلچسپی اور مدد کو قبول کیا اور ان کے اعتماد اور اعتماد کے لئے انتہائی مشکور ہوں۔

ڈائریکٹرز عقیدت ، وفاداری کی سخت محنت اور کمپنی کی اس کے مختلف ڈویژنوں میں ایگزیکٹوز ، تمام ملازمین اور ورکرز کی طرف سے پیش کی جانے والی قابل ستائش خدمات کی دل کی گہرائیوں سے قدر کرتے ہیں جو ہمیں اپنے تجارتی مقاصد کی تجدید کے لئے نئے سرے سے متحرک کرتے ہیں۔

بورڈ کی جانب سے

(میاں حسیب الیاس)  
چیف ایگزیکٹو

لاہور  
26 جولائی 2021



## SIX YEARS AT A GALANCE

	2020	2019	2018	2017	2016	2015
	Operating Results	Rupees in Thousand				
Sales – Net	-	-	250,773	847,275	879,366	1,380,222
Gross profit/ (loss)	(164,405)	(187,476)	(340,215)	(395,609)	(565,887)	(606,776)
Operating profit/(loss)	(180,649)	(210,609)	(396,701)	(455,762)	(609,482)	(645,571)
Profit/(loss) before tax	(411,016)	(427,307)	(542,426)	(578,351)	(773,801)	(789,678)
Profit/((loss) after tax	(362,123)	(336,997)	(488,902)	(572,708)	(685,290)	(779,824)

## FINANCIAL POSITION

Fixed assets – net	3,135,643	3,304,259	3,483,247	3,674,162	3,738,965	3,568,279
Paid up capital	324,000	324,000	324,000	324,000	324,000	324,000
Shareholder's equity	(1,284,865)	(922,841)	(597,829)	(1,737,303)	(1,434,210)	(1,449,288)
Long term liabilities	595,026	1,052,118	1,286,275	1,862,979	2,183,545	2,073,687
Current assets	119,835	142,836	189,585	476,748	459,795	523,454
Current liabilities	3,945,318	3,317,819	2,984,876	2,434,184	1,779,160	1,426,736
Breakup value per share (Rs.)	(11.18)	(10.40)	(15.09)	(17.68)	(21.15)	(24.07)

## STATISTICS

No. of employees	22	54	229	292	336	320
Sugar produced (M. Tons)	0	0	5,808	15,242.70	15,529.25	18,940
Crushing period (days)	0	0	35	72	80	97



# HASEEB WAQAS SUGAR MILLS LIMITED

## HASEEB WAQAS SUGAR MILLS LIMITED C A T A G O R I E S O F S H A R E H O L D E R S A S A T 30 S E P T E M B E R 2020

	Shares held	%
<b>Directors, CEO and their spouse and Minor Children</b>		
1 Mian Waqas Riaz	768,250	2.371
2 Mian Haseeb Ilyas	2,213,500	6.832
3 Miss Aqsa Riaz	500	0.002
4 Mrs. Zainab Waqas	333,500	1.029
5 Mrs. Yasmeen Riaz	1,305,750	4.030
6 Mr. Raza Mustafa	500	0.002
7 Mrs. Shahzadi Ilyas	2,404,100	7.420
8 Ms. Zakia Ilyas	10,382	0.032
	<b>7,036,482</b>	<b>21.718</b>
<b>Public Sector Companies and Corporation</b>		
<b>Joint Stock Companies</b>		
1 Maple Leaf Capital Limited	1	0.000
2 S.H. Bukhari Securities (Pvt.) Limited	400	0.001
3 Sarfaraz Mahmood (Pvt.) Limited	500	0.034
4 Y.S. Securities (Pvt.) Limited	1,000	0.003
5 Telesys Tech (Pvt) Limited	3,121	0.010
6 Mileage (Pvt.) Limited	7,500	0.023
7 Zafar Securities (Pvt) Limited	10,000	0.031
8 Apex Financial Services (Pvt.) Limited	15,000	0.046
9 Muhammad Bashir Kasmani (Pvt.) Limited	20,000	0.062
10 High Land Securities (Pvt.) Limited	22,500	0.069
11 Kohinoor Power Company Limited	76,500	0.236
12 Ali Hussain Rajabali Limited	592,500	1.829
13 Abdullah Sugar Mills Limited	2,900,500	8.952
	<b>3,649,522</b>	<b>11.296</b>
<b>Banks, Developments Finance Institutions, Non Banking Finance Institutions</b>		
1 Bank Alfalah Limited Lahore Stock Exchange Branch	800	0.002
2 The Bank of Punjab	6,700	0.021
3 Trust Leasing Corporation	9,700	0.030
	<b>17,200</b>	<b>2.926</b>
<b>Insurance Companies</b>		
1 Shaheen Insurance Company Limited	119	0.000
2 State Life Insurance Corp.	200	0.001
3 State Life Insurance Corp. of Pakistan	617,600	1.906
	<b>617,919</b>	<b>1.907</b>
<b>Modaraba Companies</b>		
1 Trust Modaraba	100	0.000
2 Trust Modaraba	5,600	0.017
3 First Punjab Modaraba	1,400	0.004
4 First Punjab Modaraba	600	0.002
	<b>7,700</b>	<b>0.024</b>
<b>Others</b>		
1 James Capel & Co	22,800	0.070
2 Morgan Stanley Trust & Company	14,900	0.046
3 Deutsche Bank Securities Corp.	600	0.002
4 Hong Kong Bank International	200	0.001
	<b>38,500</b>	<b>0.119</b>
<b>General Public (Foreign)</b>	10,500	0.032
	<b>10,500</b>	<b>0.032</b>
<b>General Public Local</b>	21,022,177	64.883
	<b>21,022,177</b>	<b>64.883</b>
<b>Shareholders holding 05% or more voting interest in the Company</b>		
1 Mian Muhammad Ilyas Miraj	4,566,500	14.09
2 Abdullah Sugar Mills Limited	2,900,500	8.95
3 Mrs. Shahzadi Ilyas	2,404,100	7.42
4 Mian Abdullah Ilyas	2,986,500	8.79
5 Mian Haseeb Ilyas	2,213,500	6.83
	<b>15,071,100</b>	<b>46.09</b>





## Pattern of Shareholding for Haseeb Waqas Sugar Mills Limited

As on: - 30-Sep-2020

Page 1 of 2  
(Complete)

Number of Shareholders	Shareholdings From	To	Total Number of Share Held	Percentage of Total Capital
184	1 -	100	8,046	0.02
413	101 -	500	191,679	0.59
266	501 -	1,000	259,363	0.80
381	1001 -	5,000	1,073,539	3.31
124	5001 -	10,000	1,042,695	3.22
49	10001 -	15,000	655,282	2.02
25	15001 -	20,000	467,396	1.44
20	20001 -	25,000	456,300	1.41
10	25001 -	30,000	278,500	0.86
6	30001 -	35,000	198,000	0.61
5	35001 -	40,000	196,000	0.60
4	40001 -	45,000	167,000	0.52
6	45001 -	50,000	300,000	0.93
1	50001 -	55,000	53,500	0.17
5	55001 -	60,000	296,000	0.91
4	60001 -	65,000	256,000	0.79
3	70001 -	75,000	220,500	0.68
3	75001 -	80,000	234,500	0.72
2	80001 -	85,000	166,286	0.51
4	85001 -	90,000	355,500	1.10
7	95001 -	100,000	698,500	2.16
1	100001 -	105,000	104,500	0.32
2	105001 -	110,000	214,500	0.66
1	110001 -	115,000	114,500	0.35
1	120001 -	125,000	125,000	0.39
1	140001 -	145,000	142,000	0.44
1	145001 -	150,000	150,000	0.46
1	155001 -	160,000	160,000	0.49
1	170001 -	175,000	173,500	0.54
1	190001 -	195,000	194,500	0.60
1	245001 -	250,000	250,000	0.77
1	255001 -	260,000	255,714	0.79
2	270001 -	275,000	548,000	1.69
1	280001 -	285,000	283,000	0.87
2	295001 -	300,000	600,000	1.85



## Pattern of Shareholding for Haseeb Waqas Sugar Mills Limited

As on: - 30-Sep-2020

Page 2 of 2

(Complete)

Number of Shareholders	Shareholdings From	To	Total Number of Share Held	Percentage of Total Capital
1	330001 -	335,000	333,500	1.03
1	345001 -	350,000	349,000	1.08
1	590001 -	595,000	592,500	1.83
1	615001 -	620,000	617,600	1.91
1	715001 -	720,000	717,500	2.21
1	765001 -	770,000	768,250	2.37
1	915001 -	920,000	917,500	2.83
1	1020001 -	1,025,000	1,022,750	3.16
1	1260001 -	1,265,000	1,262,500	3.90
1	2210001 -	2,215,000	2,213,500	6.83
1	2400001 -	2,405,000	2,404,100	7.42
1	2840001 -	2,845,000	2,844,500	8.78
1	2900001 -	2,905,000	2,900,500	8.95
1	4565001 -	4,570,000	4,566,500	14.09
<b>1,553</b>			<b>32,400,000</b>	<b>100.00</b>



# HASEEB WAQAS SUGAR MILLS LIMITED

## Haseeb Waqas Sugar Mills Limited

### Categories of Share Holders

As on: September 30, 2020

Page #:1 of 1

P Date:26-May-2021

S Type:Complete

Ser #	Code	Category	No. of Shareholder	Shares Held	Percentage of Total Capital
1	2	Financial Institutions	3	17,200	0.0531
2	4	Joint Stock Companies	13	3,649,522	11.2640
3	5	Insurance Companies	3	617,919	1.9072
4	6	Modarabas	4	7,700	0.0238
5	22	General Public (Local)	1,521	28,058,659	86.6008
6	23	General Public (Foreign)	5	10,500	0.0324
7	24	Others	4	38,500	0.1188

<b>TOTAL:</b>	<b>1,553</b>	<b>32,400,000</b>	<b>100.0000</b>
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# HASEEB WAQAS SUGAR MILLS LIMITED

## Haseeb Waqas Sugar Mills Limited

### Categories Detail

As on: September 30, 2020.

P Date: 26/05/2021

Page #: 1 of 2

S Type: Complete

Sr. #	Folio Number	Name	Shares Held	Per % Total Capital
Catagory				

### Financial Institutions

1	CDC-374	BANK ALFALAH LIMITED - LAHORE STOCK EXCHANGE BRANC	800	0.0025
2	802	THE BANK OF PUNJAB	6,700	0.0207
3	805	TRUST LEASING CORPORATION	9,700	0.0299

<b>Running Total</b>	<b>Financial Institutions</b>	<b>17,200</b>	<b>0.0531</b>
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### Joint Stock Companies

1	CDC-438	MAPLE LEAF CAPITAL LIMITED	1	0.0000
2	CDC-373	S.H. BUKHARI SECURITIES (PVT) LIMITED	400	0.0012
3	CDC-419	SARFRAZ MAHMOOD (PRIVATE) LTD	500	0.0015
4	CDC-231	Y.S. SECURITIES & SERVICES (PVT) LTD.	1,000	0.0031
5	CDC-171	TELE SYS TECH (PRIVATE) LIMITED	3,121	0.0096
6	CDC-425	MILEAGE (PVT) LTD	7,500	0.0231
7	CDC-245	ZAFAR SECURITIES (PVT) LTD.	10,000	0.0309
8	CDC-219	APEX FINANCIAL SERVICES (PVT.) LIMITED	15,000	0.0463
9	CDC-933	MUHAMMAD BASHIR KASMANI (PRIVATE) LIMITED	20,000	0.0617
10	CDC-1145	HIGH LAND SECURITIES (PVT) LIMITED	22,500	0.0694
11	CDC-1123	KOHINOOR POWER COMPANY LIMITED	76,500	0.2361
12	CDC-199	ALI HUSAIN RAJABALI LIMITED	592,500	1.8287
13	CDC-409	ABDULLAH SUGAR MILLS LIMITED	2,900,500	8.9522

<b>Running Total</b>	<b>Joint Stock Companies</b>	<b>3,649,522</b>	<b>11.2640</b>
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### Insurance Companies

1	CDC-151	SHAHEEN INSURANCE COMPANY LIMITED	119	0.0004
2	5920	STATE LIFE INSURANCE CORP.	200	0.0006
3	CDC-222	STATE LIFE INSURANCE CORP. OF PAKISTAN	617,600	1.9062

<b>Running Total</b>	<b>Insurance Companies</b>	<b>617,919</b>	<b>1.9072</b>
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### Modarabas

1	806	TRUST MODARABA	100	0.0003
2	803	FIRST PUNJAB MODARABA	600	0.0019
3	812	FIRST PUNJAB MODARABA	1,400	0.0043
4	804	TRUST MODARABA	5,600	0.0173

<b>Running Total</b>	<b>Modarabas</b>	<b>7,700</b>	<b>0.0238</b>
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### General Public (Local)

<b>Running Total</b>	<b>General Public (Local)</b>	<b>28,058,659</b>	<b>86.6008</b>
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# HASEEB WAQAS SUGAR MILLS LIMITED

## Haseeb Waqas Sugar Mills Limited

### Categories Detail

As on: September 30, 2020.

P Date: 26/05/2021

Page #: 2 of 2

S Type: Complete

Sr. #	Folio Number	Name	Shares Held	Per % Total Capital
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### General Public (Foreign)

Running Total	General Public (Foreign)	10,500	0.0324
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### Others

1	5261	HONG KONG BANK INTERNATIONAL	200	0.0006
2	5246	DEUTSCHE BANK SECURITIES CORP.	600	0.0019
3	5279	MORGAN STANLY TRUST COMPANY	14,900	0.0460
4	5176	JAMES CAPEL & CO.	22,800	0.0704

Running Total	Others	38,500	0.1188
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Grand Total:	32,400,000	100.0000
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## STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2020)

### HASEEB WAQAS SUGAR MILLS LIMITED FOR THE YEAR ENDED 30 SEPTEMBER 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	03
b.	Female	05
2.	The composition of Board is as follows:	
a.	Independent Director	Mr. Raza Mustafa Mian Waqas Riaz
b.	Executive Director	Mian Haseeb Ilyas
c.	Non-Executive Directors	Mrs. Yasmin Riaz Mrs. Shahzadi Ilyas Mrs. Zainab Waqas Mrs. Zakia Ilyas Ms. Aqsa Riaz
3.	The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).	
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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.	
6.	All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by board/shareholders as empowered by the relevant provisions of the 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 of Directors has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.	
9.	The Board did not arrange any Director's program during the year. On overall basis, our directors taken as a whole are compliant as of 30 September 2020 with the requirements of the Director's Training Program contained in the regulations. The Board has arranged Director's Training program for one of our Director Miss. Aqsa Riaz in due course.	
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, except for the minimum experience requirement of the CFO, Regulation 23 (a) requires the CFO to have at least three years of managerial experience in fields of audit or accounting or is managing financial or corporate functions of a company and is a member of Institute of Chartered Accountants of Pakistan or Institute of Cost and Management Accountants of Pakistan. The Board is in process of complying with the requirements of the Regulations.	
11.	CFO and CEO duly endorsed the financial statements before approval of the Board.	
12.	The Board has formed committee comprising of members given below:	
a.	Audit Committee	Mian Waqas Riaz (Chairman) Mrs. Zakia Ilyas (Member) Mrs. Yasmin Riaz (Member)
b.	HR and Remuneration Committee	Mian Waqas Riaz (Chairman) Mrs. Zainab Waqas (Member) Mrs. Zakia Ilyas (Member)
c.	Risk Management Committee	Mr. Raza Mustafa (Chairman) Mrs. Yasmin Riaz (Member)
d.	Nomination Committee	Mrs. Yasmin Riaz (Chairperson) Mrs. Zainab Waqas (Member)
	Regulation 28 (1){c} requires the Board to satisfy itself such that at least one member of the audit committee qualifies as financially literate. The Board will comply with aforementioned regulation upon-re-constitution of the Board after expiry of the current term.	
13.	The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.	
14.	The frequency of meetings (quarterly/half yearly/yearly) of the committee were as following:	
a.	Audit Committee	02
b.	HR and Remuneration Committee	01



c.	Nomination Committee	01
d.	Risk Management Committee	01
15.	The Board has set up an effective internal audit function that is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the company	
16.	The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International 56 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 firms involved in the audit are not a close relatives (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or any Director of the Company.	
17.	The Statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.	
18.	We confirm that all other requirements of the Regulations have been complied with.	

**On behalf of the Board**

**Mian Haseeb Ilyas**  
Chief Executive

**Raza Mustafa**  
Chairman

Lahore, 26 May 2021



QADEER & COMPANY  
CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the members of Haseeb Waqas Sugar Mills Limited

### Report on the Audit of the Financial Statements

#### Disclaimer of Opinion

We were engaged to audit the annexed financial statements of **Haseeb Waqas Sugar Mills Limited** ("the Company"), which comprise the statements of financial position as at September 30, 2020, and the statement of profit or loss and the statement of other 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.

We do not express an opinion on the accompanying financial statements of the Company. Because of significance of matters described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

#### Basis for Disclaimer of Opinion

- a) As stated in Note # 2.4 to the financial statements, the Company could not start operations during the crushing season 2020-21 and is directed to shift the mill from Muzaffargarh to Nankana Sahib. But, the management did not provide us sufficient and comprehensive plan and projections to start operations at either of the locations in the foreseeable future and overcome the existing financial and legal crisis. On the absence of required information, the going concern basis is not determinable.
- b) The Sales tax status of the Company has been blacklisted by the Federal Board of Revenue due to non-payment of outstanding liability of Rs. 208.377 million as mentioned in Note # 10 and 14.2 of the financial statements.
- c) As stated in Note # 15.4 to the financial statements; the Company has not complied with the requirements of IAS 16 paragraph 31 and 34 with respect to revaluation of property, plant and equipment which require that revaluation should be made with sufficient regularity.

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- d) We did not receive direct confirmations from banks and financial institutions of long term loans and lease liabilities amounting to Rs. 1,652 million and markup outstanding amounting to Rs. 808.74 million. We remain unable to verify these balances by applying other alternate audit procedures as the information was not provided to us. Consequently, we were unable to determine whether any adjustments to these amounts were necessary;
- e) All the trade and other payables as mentioned in Note # 10 were remain unpaid and overdue due to mill closure and non-availability of funds. We remained unable to confirm these balances by applying other alternate audit procedures as the information was not provided to us. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.
- f) The Company has not carried out Actuarial Valuation from Actuarial expert and we were unable to verify the Employee Retirement Benefit outstanding as at year end and provision for the year. We remain unable to verify these balances by applying other alternate audit procedures. Consequently, we were unable to determine whether any adjustments to these amounts were necessary;
- g) The Company has not complied with the requirements of Section 244 of the Companies Act 2017 with respect to unclaimed dividend amounting to Rs. 1,443,972/- as disclosed in Note # 14.5 to the financial statements;
- h) We did not receive direct confirmations from Company's tax advisors regarding the outstanding tax cases and their status. We remain unable to verify the status, completeness and accuracy of the reported contingencies in the financial statements. Consequently, we were unable to determine whether any adjustments to sales tax payable, tax provisions, deferred taxation and tax refundable due from government were necessary or needs to be disclosed. We remain unable to verify these disclosures and balances.
- i) Company has not carried out impairment testing of property, plant and equipment and stores and spares as required under the International Accounting Standard 36. We consider it necessary to be carried out at the end of current year because the Company could not start production during the crushing season 2020-2021.
- j) We were unable to physically verify the existence and condition of property, plant and equipment due to closure of factory on the decision of Supreme Court.
- k) We were unable to physically verify the existence and condition of store and spares as at the year end. We also remained unable to verify such balances by alternate audit procedures as information was not available to us. Further, compulsory cut off procedures could not be performed as at the year ended Sept. 30, 2020.
- l) All the advances, deposits, prepayments and other receivables were static and no confirmation was received. We were unable to verify these balances by applying other alternative audit procedures as information was not available to us.

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## QADEER & COMPANY CHARTERED ACCOUNTANTS

- m) We did not receive direct confirmations from Company's legal advisors regarding the outstanding cases and their status. Consequently, we were unable to determine the accuracy and completeness of disclosures under contingencies and commitments. We also remain unable to verify these disclosures and balances as the information was not available to us.
- n) We were unable to obtain direct confirmations from banks amounting to Rs. 1.48 M. We remain unable to verify these balances by applying other alternate audit procedures as the information was not available to us. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.
- o) Pakistan Stock Exchange Limited has placed the Company in Defaulters Segment on the basis of last year audit report. Also, suspension in the trading of shares of company has been ordered by the Exchange due to nonpayment of dues of Exchange, non-holding Annual General Meeting for the year ended September 30, 2020, non-submission of annual accounts for the year ended September 30, 2020, non-submission of half yearly accounts as of March 31, 2020 and auditor's opinion on the financial statements for the year ended September 30, 2019.
- p) The Company has not complied with the requirements of Section 223 of Companies Act, 2017 regarding the lying of financial statements within a period of 120 days following the close of financial year of the Company; and the related provisions of Companies Act, 2017 and the Code of Corporate Governance, 2019.
- q) The Company could not provide and make available to us all of its books of account and other information which were necessary for the purpose of our audit. As a result, we were unable to determine whether any adjustments or disclosures might have been found necessary in respect of recorded or unrecorded elements and disclosures making up the statement of financial position, statement of profit or loss, statement of other comprehensive income, statement of changes in equity and statement of cash flows and notes to the financial statements.

### **Responsibilities of Management and Board of Directors for the Financial Statements**

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern

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**QADEER & COMPANY**  
CHARTERED ACCOUNTANTS

and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our responsibility is to conduct an audit of the Company's financial statements in accordance with International Standards on Auditing as applicable in Pakistan and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

## **Report on Other Legal and Regulatory Requirements**

Because of significance of the matters described in Basis of Disclaimer of Opinion section of our report, we express **no** opinion whether:

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

The engagement partner on the audit resulting in this independent auditor's report is **Abdul Rahman**.

Lahore,  
Dated: May 25, 2021

  
**Qadeer and Company,**  
Chartered Accountants

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CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF HASEEB WAQAS SUGAR MILLS LIMITED

### REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We were engaged to review the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Haseeb Waqas 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.

No information for the purpose of review was provided to us, accordingly, we do not express our conclusion as to whether the Statement of Compliance appropriately reflects 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.

We have also expressed disclaim of opinion in our audit report to the financial statements for the year ended September 30, 2020.

Lahore,  
Dated: May 25, 2021

  
**QADEER & COMPANY**  
CHARTERED  
ACCOUNTANTS  
ENGAGEMENT PARTNER  
ABDUL RAHMAN

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## HASEEB WAQAS SUGAR MILLS LIMITED

### STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020

<b>EQUITY AND LIABILITIES</b>		<b>September 30, 2020 Rupees</b>	<b>September 30, 2019 Rupees</b>
<b>Share Capital and Reserves</b>	<b>Note</b>		
Authorized capital 35,000,000 (2019: 35,000,000) ordinary shares of Rs. 10 each		350,000,000	350,000,000
Issued, subscribed and paid up capital	4	324,000,000	324,000,000
Loan from directors and sponsors	5	841,731,639	841,631,639
<b>Capital Reserves</b>			
Surplus on Revaluation of Property, Plant and Equipment	6	1,387,378,418	1,455,221,265
<b>Revenue Reserves</b>			
Accumulated (loss) / profit		(3,837,974,792) (1,284,864,735)	(3,543,694,142) (922,841,238)
<b>Non Current Liabilities</b>			
Long term financing	7	-	408,000,000
Deferred liabilities	8	17,804,720	18,004,720
Deferred taxation	9	577,220,964	626,113,327
		595,025,684	1,052,118,047
<b>Current Liabilities</b>			
Trade and other payables	10	791,606,566	801,392,947
Markup on loans and other payables	11	843,616,824	613,252,631
Short term borrowings	12	656,462,763	657,541,547
Unclaimed dividend		1,443,972	1,443,972
Current portion of non current liabilities	13	1,652,187,642	1,244,187,642
		3,945,317,767	3,317,818,739
<b>Contingencies and Commitments</b>	14	-	-
		3,255,478,716	3,447,095,547
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	15	3,135,153,337	3,303,769,176
Long term deposits	16	490,000	490,000
		3,135,643,337	3,304,259,176
<b>Current Assets</b>			
Stores, spares and loose tools	17	55,892,796	55,892,796
Stock in trade	18	-	-
Advances, deposits, prepayments and other receivables	19	62,230,462	85,198,837
Cash and bank balances	20	1,712,121	1,744,738
		119,835,379	142,836,371
		3,255,478,716	3,447,095,547

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



**HASEEB WAQAS SUGAR MILLS LIMITED**  
**STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

		<b>2020</b>	<b>2019</b>
		<b>Rupees</b>	
Sales - Net	Note 21	-	-
Cost of goods sold	22	(168,405,487)	(187,476,137)
<b>Gross (loss)</b>		(168,405,487)	(187,476,137)
Operating expenses:			
- Administrative and general expenses	23	(11,618,765)	(23,161,002)
- Other operating charges	24	(625,000)	(625,000)
- Other income	25	-	652,713
<b>Loss from operation</b>		(180,649,252)	(210,609,426)
Finance cost	26	(230,366,608)	(216,697,836)
<b>Loss before taxation</b>		(411,015,860)	(427,307,262)
Taxation	27	48,892,363	90,310,562
<b>Loss after taxation</b>		(362,123,497)	(336,996,700)
<b>Earning per share - basic</b>	28	(11.18)	(10.40)

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

**CHIEF EXECUTIVE**

**DIRECTOR**

**CHIEF FINANCIAL OFFICER**



**HASEEB WAQAS SUGAR MILLS LIMITED**  
**STATEMENT OF OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

		<u>2020</u>	<u>2019</u>
	Note	<b>Rupees</b>	
(Loss) after taxation		(362,123,497)	(336,996,700)
Other comprehensive income			
Remeasurements of defined benefit obligation		-	-
Impact of deferred tax		-	-
		-	-
Total comprehensive income for the year		<u>(362,123,497)</u>	<u>(336,996,700)</u>

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

**CHIEF EXECUTIVE**

**DIRECTOR**

**CHIEF FINANCIAL OFFICER**





## HASEEB WAQAS SUGAR MILLS LIMITED

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED SEPTEMBER 30, 2020

	NOTE	2020	2019
		Rupees	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
(Loss) before taxation		(411,015,860)	(427,307,262)
Adjustments for:			
- Depreciation		168,615,838	179,430,829
- Provision for employees retirement benefits		-	770,936
- Gain on disposal of property plant and equipment		-	(652,713)
- Finance cost		230,366,608	216,697,836
		<u>398,982,446</u>	<u>396,246,888</u>
<b>Operating profit before working capital changes</b>		(12,033,414)	(31,060,374)
(Increase) / decrease in current assets:			
- Stores, spares and loose tools		-	(207,929)
- Stock in trade		-	-
- Loans and advances		-	-
- Advances, deposits, prepayments and other receivables		23,170,530	43,833,834
Increase / (decrease) in current liabilities:			
- Trade and other payables		(9,786,381)	(13,079,685)
		<u>13,384,149</u>	<u>30,546,220</u>
<b>Cash generated from operations</b>		1,350,735	(514,154)
Income tax paid / deducted		(202,153)	(370,210)
Gratuity paid		(200,000)	(109,590)
Finance cost paid		(2,415)	(11,194)
<b>Net cash generated from/used in operating activities</b>		946,167	(1,005,148)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Property, plant and equipment purchased		-	-
Proceed from sale of vehicle		-	700,000
Long term deposits		-	-
<b>Net cash used in investing activities</b>		-	700,000
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds / (Repayment) from long term loans - Net		-	-
Proceeds / (Repayment) from directors'/ sponsor loan - Net		100,000	11,984,567
Proceeds / (Repayment) of related parties		(1,078,784)	(12,037,988)
<b>Net cash used in financing activities</b>		(978,784)	(53,421)
<b>Net decrease in cash and cash equivalents</b>		(32,617)	(358,569)
Cash and cash equivalents at the beginning of the year		1,744,739	2,103,307
<b>Cash and cash equivalents at the end of the year</b>	<b>20</b>	<u><u>1,712,121</u></u>	<u><u>1,744,738</u></u>

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



# HASEEB WAQAS SUGAR MILLS LIMITED

## HASEEB WAQAS SUGAR MILLS LIMITED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Issued, subscribed and paid up capital	Loan from directors	Surplus on Revaluation of Property, Plant & equipment	Accumulated (loss) / profit	Total
	<b>R u p e e s</b>				
<b>Balance as at October 01, 2018</b>	<b>324,000,000</b>	<b>829,647,072</b>	<b>1,527,024,369</b>	<b>(3,278,500,546)</b>	<b>(597,829,105)</b>
Net (loss) for the year ended September 30, 2019	-	-	-	(336,996,700)	(336,996,700)
Other comprehensive income / (loss) for the year ended September 30, 2019	-	-	-	-	-
<b>Transaction with owners:</b>					
Increase in directors' loan during the year		11,984,567			11,984,567
Surplus on revaluation of fixed assets transferred to retained earnings in respect of incremental depreciation - net of tax	-	-	(71,803,104)	71,803,104	-
<b>Balance as at October 01, 2019</b>	<b>324,000,000</b>	<b>841,631,639</b>	<b>1,455,221,265</b>	<b>(3,543,694,142)</b>	<b>(922,841,238)</b>
Net (loss) for the year ended September 30, 2020	-	-	-	(362,123,497)	(362,123,497)
Other comprehensive income / (loss) for the year ended September 30, 2020	-	-	-	-	-
<b>Total comprehensive income/(loss) for the year ended September 30, 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(362,123,497)</b>	<b>(362,123,497)</b>
<b>Transaction with owners:</b>					
Increase in sponsors and directors' loan during the year	-	100,000		-	100,000
Surplus on revaluation of fixed assets transferred to retained earnings in respect of incremental depreciation - net of tax	-	-	(67,842,847)	67,842,847	-
<b>Balance as at September 30, 2020</b>	<b>324,000,000</b>	<b>841,731,639</b>	<b>1,387,378,418</b>	<b>(3,837,974,792)</b>	<b>(1,284,864,735)</b>

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



**HASEEB WAQAS SUGAR MILLS LIMITED.**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020

## 1 Corporate and General Operation

### 1.1 Legal Status and operations

Haseeb Waqas Sugar Mills Limited ("the Company") was incorporated in Pakistan on 13 January 1992 as a Public Limited Company under the repealed Companies Ordinance, 1984 (now the Companies Act 2017). The Company's registered office is situated at 6-F Model Town, Lahore. The mill is situated at Tehsil Jattoi Distt. Muzafargarh. The Company is listed on Pakistan Stock Exchange. The principal activity of the Company is manufacture and sale of refined sugar and its by-products.

### 1.2 Impact of covid-19 on the financial statements

Coronavirus (COVID-19) that first emerged in China and later classified as a pandemic by the World Health Organization on March 2020, impacted the countries globally. The impact in Pakistan reached at its peak in mid of March 2020 when the Government of Pakistan (GOP) took severe action to curtail the spread of the COVID-19 through lockdown of businesses. This action resulted in an overall economic slowdown and resulted disruptions to nearly all of the business segments.

## 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 Standards Board (IASB) as notified under the Companies Act 2017 and provisions of and directives issued under the Companies Act 2017. Where provisions of and directives issued under the Companies Act 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act 2017 have been followed.

### 2.2 Accounting convention

These financial statements have been prepared under the historical cost convention except for certain financial instruments at fair value and certain items of property, plant and equipment that are stated at revalued amounts. In these financial statements, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

### 2.3 New standards, amendments to the accounting and reporting standards as applicable in Pakistan

#### 2.3.1 Amendments to the accounting and reporting standards as applicable in Pakistan which are effective during the year ended September 30, 2020

IAS 12	Income Taxes (Amendments)	1-Jan-19
IAS 19	Employee benefits (Amendments)	1-Jan-19
IAS 23	Borrowing Costs (Amendments); Borrowing costs eligible for c	1-Jan-19
IAS 28	Investment in Associates and Joint Ventures (Amendments)	1-Jan-19
IFRS 3	Business Combinations (Amendments)	1-Jan-19
IFRS 9	Financial Instruments (Amendments)	1-Jul-19
IFRS 11	Joint Arrangements (Amendments); Re-measurement of previou	1-Jan-19
IFRS 14	Regulatory Deferral Accounts	1-Jul-19
IFRS 16	Leases	1-Jan-19
IFRIC 23	Uncertainty Over Income Tax	1-Jan-19
Annual improvements to IFRSs (2015-2017 Cycle)		1-Jan-19

The adoption of the above amendments to accounting standards did not have any significant impact on the financial statements, except some additional disclosures.

#### 2.3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company as at September 30, 2020.

There are certain other new standards and amendments to the approved accounting standards that will be mandatory for the Company's annual accounting periods beginning on or after October 1, 2020. However, these standards and amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these financial statements.

### 2.4 Going concern assumption

The financial statements of the Company indicate that the Company incurred gross loss amounting to Rs: 168,405,487 (2019: 187,476,137) and net loss from operations amounting to Rs. 180,649,252 (2019: 210,609,426) and accumulated losses Rs. 3,837,974,792 (2019: 3,543,694,142). Moreover, the current liabilities exceed current assets by Rs. 3,825,482,388 (2019: 3,174,982,368). Further as stated in note # 16.3 to the financial statements, the Supreme Court dismissed the appeal of the Company regarding location of factory.



## Operational measures

In view of above issues Company has already taken following mitigating steps:

Restructuring of loan from Silk Bank Limited amounting to Rs. 390 million is in process.

Shifting of mill to Alipur Jatoi, Muzaffargarh has been completed where sugar cane availability and sugar recovery are better.

BMR has been done and we will see impact of this BMR in the financials of coming season.

The management foresees positive cash flow from future operations in expectation of better availability of sugar cane and sugar prices in coming season, since sugar dynamics are good and rising.

The projected financial statements prepared by the management to support its going concern assessment is based on following assumptions.

	Projected		
	2021	2022	2023
Sugar Cane Crushing M.T	780,000	800,000	800,000
Sugar cane rate	200	205	210
Sugar price per Kg	70	75	80

However, it is believed that considering the mitigating factors set out in the preceding paragraphs, the going concern assumption is appropriate and has, as such, prepared these financial statements on a going concern basis.

Our review petition (regarding shifting of mill to Alipur Jatoi) dismissed by Supreme Court and management considering alternate options available including but not limited to application to Ministry of Industries and Planning under Section 3 of the Punjab Industries (Control on Established and Enlargement) Ordinance, 1963.

## 2.5 Judgment, estimates and assumptions

The preparation of financial statements in conformity with IASs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and related assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The estimates and related assumptions are reviewed on an ongoing basis. Accounting estimates are revised in the period in which such revisions are made and in any future periods affected.

Significant management estimates in these financial statements relate to the useful life of property, plant and equipment, provisions for doubtful receivables, slow moving inventory and taxation. However, the management believes that the change in outcome of estimates would not have a material effect on the amounts disclosed in the financial statements.

Judgment made by management in the application of accounting and reporting standards that have significant effect on the financial statements and estimates with a risk of material adjustment in subsequent year are as follows;

### 2.5.1 Depreciation method, rates and useful lives of property, plant and equipment

The management of the Company reassesses useful lives, depreciation method and rates for each item of property, plant and equipment annually by considering expected pattern of economic benefits that the Company expects to derive from that item.

### 2.5.2 Recoverable amount of assets/ cash generating units

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

### 2.5.3 Fair value of financial instruments having no active market

Fair value of financial instruments having no active market is determined using discount cash flow analysis after incorporating all factors that market participants would consider in setting a price and using inputs that reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument.

### 2.5.4 Taxation

The Company takes into account income tax law and decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by tax department at the assessment stage and where the Company considers that its view of items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

### 2.5.5 Provisions

Provisions are based on best estimate of the expenditure required to settle the present obligation at the reporting date, that is, the amount that the Company would rationally pay to settle the obligation at the reporting date or to transfer it to a third party.

### 2.5.6 Revaluation of property, plant and equipment

Revaluation of property, plant and equipment is carried out by independent professional valuer. Revalued amounts of non-depreciable items are determined by reference to local market values and that of depreciable items are determined by reference to present depreciated replacement values.

## 2.6 Functional currency

These financial statements are prepared in Pak Rupees which is the Company's functional and presentation currency.



## 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in the financial statements.

### 3.1 Ordinary share capital

Ordinary share capital is recognized as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as deduction from equity.

### 3.2 Surplus / deficit arising on revaluation of property, plant and equipment

Surplus arising on revaluation of property, plant and equipment is recognized, in other comprehensive income and accumulated in reserves in shareholders' equity and is shown in equity. Revaluation is carried out with sufficient regularity to ensure that the carrying amounts of the assets does not differ materially from the fair value. Accumulated depreciation at the date of revaluation is eliminated against the cost of the asset and net amount is restated to the revalued amount of the asset.

The surplus on revaluation of property, plant and equipment to the extent of incremental depreciation charged on the related property, plant and equipment during the year is part of statement of changes in equity.

### 3.3 Employee benefits

#### Short-term employee benefits

The Company recognizes the undiscounted amount of short term employee benefits to be paid in exchange for services rendered by employees as a liability after deducting amount already paid and as an expense in profit or loss unless it is included in the cost of inventories or property, plant and equipment as permitted or required by the approved accounting standards. If the amount paid exceeds the discounted amount of benefits, the excess is recognized as an asset to the extent that the prepayment would lead to a reduction in future payments or cash refund.

The Company provides for compensated absences of its employees on unavailed balance of leaves in the period in which the leaves are earned.

#### Defined benefit plan

The Company operates an unfunded gratuity scheme covering its permanent employees. Employees are eligible for benefits under this scheme after the completion of a prescribed qualifying period of service. The latest actuarial valuation was carried out as at September 30, 2018. Charge for the current year is based on estimates provided by the actuary as at September 30, 2018. The following significant assumptions were used in the latest actuarial valuation:

	2020	2019
Discount rate	0.00%	7.75%
Expected rate of salary increase in future years	0.00%	6.75%
Average expected remaining working life time of employees	-	9 years
Actuarial valuation method	Projected unit credit method	

### 3.4 Borrowings

These are recognized initially at fair value less attributable transaction cost. Subsequent to initial recognition, these are stated at amortized cost with any difference between cost and redemption value being recognized in the profit and loss over the period of the borrowings on an effective interest basis.

### 3.5 Provisions

A provision is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

### 3.6 Taxation

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

#### Current

Current tax is the amount of tax payable on taxable income for the year, using tax rates enacted or substantively enacted by the reporting date, and any adjustment to the tax payable in respect of previous years. Provision for current tax is based on the taxable income at current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an asset.

#### Deferred

Deferred tax is accounted for using the balance sheet liability method providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. In this regard, the effects on deferred taxation of the portion of income that is subject to final tax regime is also considered in accordance with the requirement of "Technical Release - 27" of the Institute of Chartered Accountants of Pakistan. Deferred tax is measured at rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date. A deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for deductible temporary differences to the extent that future taxable profits will be available against which temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is not recognized for timing differences that are not expected to reverse and for the temporary differences arising from the initial recognition of goodwill and initial recognition of assets and liabilities in a transaction that is not a business combination and that at the time of transaction affects neither the accounting nor the taxable profit.



## 3.7 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

## 3.8 Trade and other receivables

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost less impairment loss, if any.

## 3.9 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation except freehold land that is stated at revalued amount. Buildings, plant and machinery and grid station and generators are stated at revalued amounts less accumulated depreciation. Cost of property, plant and equipment consists of historical cost, revalued amount, borrowing costs pertaining to the erection / construction period and other directly attributable costs incurred to bring the assets to their working condition.

The management reviews the market value of revalued assets at each balance sheet date to ascertain whether the fair value of revalued assets have differed materially from the carrying value of such assets, thus necessitating further revaluation.

Depreciation on property, plant and equipment has been provided for using the reducing balance method at the rates specified in respective note. Depreciation on additions is charged from the month in which the asset was available for use up to the month in which the asset was disposed off.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized. Gain or loss on disposal of property, plant and equipment, if any, is shown in the profit and loss account.

## 3.10 Impairment

Carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and impairment loss is recognized in the profit and loss account.

## 3.11 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand and cash with banks in current and saving accounts.

## 3.12 Stores, spares and loose tools

These are generally held for internal use and are valued at lower of cost and net realizable value. Cost is determined on the basis of moving average except for items in transit, which are valued at invoice price plus related expenses incurred up to the reporting date. For items identified as slow moving, a provision is made for excess of carrying amount over estimated net realizable value which signifies the estimated selling price in the ordinary course of business less estimated costs of completion and estimated cost necessary to make the sale.

## 3.13 Stock in trade

These are valued at lower of cost and net realizable value. Cost is determined using the following basis:

Work in process	Average manufacturing cost
Finished goods	Average manufacturing cost
By-products	Net realizable value, where costs are not ascertainable.

Average manufacturing cost in relation to work in process and finished goods consists of direct material, labor and a proportion of appropriate manufacturing overheads.

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

## 3.14 Financial instruments

### Financial assets

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

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

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

The Company recognizes loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost and contract assets. The Company measures loss allowance at an amount equal to lifetime ECLs.

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

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

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





## Financial liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognised 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 amortised cost using the effective yield method. A financial liability is derecognised 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 recognised in the profit or loss.

## Off-setting of financial assets and financial liabilities

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

### 3.15 Related party transactions

All transactions with related parties are carried out by the company at arms' length price with the exception of loan taken from related parties which is interest / mark up free. Prices for these transactions are determined on the basis of comparable uncontrolled price method, which sets the price by reference to comparable goods and services sold in an economically comparable market to a buyer unrelated to the seller.

Components purchased by the Company from related party are priced at cost plus margin.

### 3.16 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, net of returns allowances, trade discounts and rebates, and represents amounts received or receivable for goods and services provided and other operating income earned in the normal course of business. Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company, and the amount of revenue and the associated costs incurred or to be incurred can be measured reliably.

Revenue from different sources is recognized as follows:

Revenue from sale of goods is recognized when risk and rewards incidental to the ownership of goods are transferred.

Interest on saving accounts is recognized as and when accrued on time proportion basis.

### 3.17 Borrowing costs

Borrowing costs are charged to expense as and when incurred except to the extent of costs directly attributable to the acquisition, construction or production of qualifying assets that are capitalized as part of the cost of asset.

### 3.18 Dividends

Dividend is recognized as a liability in the period in which it is declared.

### 3.19 Accounting for finance lease

IFRS 16 supersedes IAS 17 'Leases', IFRIC 4 'Determining whether an arrangement contains a Lease', SIC 15 'Operating leases - incentives' and SIC 27 'Evaluating the substance of transactions involving the legal form of a lease'. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for most leases under a single on-balance sheet model.

The Company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of July 01, 2019. Under this method, the standard is applied retrospectively with cumulative effect of initially applying standard recognized at the date of initial application and accordingly the Company is not required to restate prior year results. The Company also elected to use the recognition exception for lease contracts that, at the commencement date, have a lease term of twelve months or less and do not contain a purchase option (short term leases).

Adoption of IFRS 16 does not have any material impact on financial statements except reclassification of 'Leased assets' as 'Right-of-use assets' and 'Liabilities against assets subject to finance lease' as 'Lease Liabilities'.

The Company has lease contracts for vehicles and plant and machinery. Before the adoption of IFRS 16, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Company; otherwise it was classified as an operating lease. Finance leases were capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between interest (recognized as finance costs) and reduction of the lease liability. In an operating lease, the leased property was not capitalized and the lease payments were recognized as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognized under Prepayments and Trade and other payables, respectively.

Upon adoption of IFRS 16, the Company applied a single recognition and measurement approach for all leases, except for short-term leases. The standard provides specific transition requirements and practical expedients, which has been applied by the Company.

The Company did not change the initial carrying amounts of recognized assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognized under IAS 17).

As a result of adoption of IFRS 16, the Company has adopted following new accounting policy:



A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The Company mainly leases plant and machinery for its operations. The Company recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- The initial direct costs; and
- Restoration cost (if any).

Subsequently, right-of-use assets are recognized at cost less any accumulated depreciation and impairment losses if any, and adjusted for certain re-measurements of the lease liability. The right-of-use asset is depreciated using the reducing balance method over the asset's useful life. The estimated useful lives of assets are determined on the same basis as that for owned assets.

### 3.20 Earning per share (EPS)

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

Diluted EPS is calculated by adjusting basic EPS by the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.



	2020	2019
	Rupees	
<b>4 ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b>		
Ordinary shares of Rs. 10 each:		
27,000,000 (2019: 27,000,000) shares issued for cash.	270,000,000	270,000,000
5,400,000 (2019: 5,400,000) shares issued as fully paid bonus shares.	54,000,000	54,000,000
	<u>324,000,000</u>	<u>324,000,000</u>

All ordinary shareholders have same rights regarding voting, board selection, right of first refusal and block voting.

## 5 LOAN FROM DIRECTORS AND SPONSORS

Loan from directors and sponsors

841,731,639	841,631,639
<u>841,731,639</u>	<u>841,631,639</u>

These loan has been obtained from Sponsors and Members of the Company, and is interest free. There is no fixed tenor or schedule for repayment of this loan. According to the loan agreement, the lenders shall not demand repayment and the same is entirely at the Company's option. Further, directors' loan is subordinated to National Bank of Pakistan, The Bank of Punjab, Sindh Bank Limited and Silk Bank Ltd.

These loans are accounted for under Technical Release - 32 "Accounting Directors' Loan" issued by the Institute of Chartered Accountants of Pakistan effective for the financial statements for the period beginning on or after January 01, 2016 with earlier application permitted.

	2020	2019
	Rupees	
<b>6 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT</b>		
As at beginning of the year	1,455,221,265	1,527,024,369
Revaluation surplus transferred to unappropriated profit on account of incremental depreciation (net of tax)	(67,842,847)	(71,803,104)
	<u>1,387,378,418</u>	<u>1,455,221,265</u>

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

		2020	2019
		Rupees	
<b>7 LONG TERM FINANCING</b>			
Loan from Banking Companies - secured	7.1	-	408,000,000
<b>7.1 Loan from banking companies and other financial institutions - secured</b>			
National Bank of Pakistan			
- Demand Finance I	7.1.1	220,000,000	220,000,000
- Demand Finance II	7.1.2	160,000,000	160,000,000
The Bank of Punjab			
- Demand Finance	7.1.3	285,000,000	285,000,000
Sindh Bank Limited			
- Demand Finance	7.1.4	500,000,000	500,000,000
PAIR			
- Demand Finance	7.1.5	70,000,000	70,000,000
Silk Bank Ltd	7.1.6	390,000,000	390,000,000
		<u>1,625,000,000</u>	<u>1,625,000,000</u>
Less: current portion shown under current liabilities			
- NBP - Demand Finance - I		(220,000,000)	(220,000,000)
- NBP - Demand Finance - II		(160,000,000)	(160,000,000)
- BOP - Demand Finance		(285,000,000)	(228,000,000)
- Sindh Bank - Demand Finance		(500,000,000)	(500,000,000)
- Demand Finance - PAIR		(70,000,000)	(70,000,000)
- Demand Finance - Silk Bank Ltd		(390,000,000)	(39,000,000)
		<u>(1,625,000,000)</u>	<u>(1,217,000,000)</u>
		<u>-</u>	<u>408,000,000</u>

7.1.1 The finance is secured by 1st PP charge of Rs. 293.334 million on fixed assets of the Company and personal guarantees of sponsoring directors of the Company. It carries markup @ 3 months KIBOR + 2.5% per annum. This loan is payable in ten bi-annual installments ending on 21 March 2020, within a period of 5 years excluding 1 year grace period.



- 7.1.2 The finance is secured by 1st PP charge of Rs. 213.334 million on fixed assets of the Company and personal guarantees of sponsoring directors of the Company. It carries markup @ 3 months KIBOR + 2.5% per annum. This loan is payable in twelve equal quarterly installments ending on 30 September 2018, within a period of 3 years excluding 1 year grace period.
- 7.1.3 This finance has been obtained from The Bank of Punjab through restructuring of existing cash finance facility. The finance is secured by ranking charge over all present and future fixed assets of the Company and personal guarantees of directors of the Company. It carries markup 3 months KIBOR +1.25% per annum. This loan is payable in twenty eight quarterly installments ending on 30 September 2021.
- 7.1.4 This finance has been obtained from Sindh Bank Limited under demand finance arrangement. The finance is secured by ranking charge over all present and future fixed assets of the Company and personal guarantees of directors of the Company. It carries markup @ 3 months KIBOR + 5% per annum. This loan is payable in twelve quarterly installments ending on 09 June 2020.
- 7.1.5 This finance has been obtained from PAIR Investment Company Limited. The finance is secured by parri passu charges over the present and future fixed assets of the Company, with a margin of 33% above the financing amount. Parri passu charge by way of creation of mortgage over the land and building of the Company and personal guarantees of directors of the Company. It carries markup 3 months KIBOR +350 bps per annum. This loan is rescheduled and payable in eighteen monthly installments.
- 7.1.6 This finance has been obtained from Silk Bank Limited under demand finance arrangement. The finance is secured by Pari passu charge over all present and future fixed assets of the Company and corporate guarantee of Abdullah Sugar Mills Limited and personal guarantees of directors of the Company. It carries markup @ 1 Year KIBOR + 2% per annum. This loan is payable in twenty Bi-annually installments ending on 21 February 2025.

## 8 DEFERRED LIABILITIES

Employee retirement benefits

8.01

2020

2019

17,804,720

18,004,720

### 8.01 EMPLOYEES RETIREMENT BENEFITS

*The amounts recognized in the the Statement of Financial Position are as follows*

Present value of defined benefit obligation

17,804,720

18,004,720

*the Statement of Financial Position liability*

Opening balance

18,004,720

17,343,374

Amount recognized during the year

-

770,936

Remeasurements

-

-

18,004,720

18,114,310

Payable to outgoing employees

-

-

Benefits paid during the year

(200,000)

(109,590)

Closing balance

17,804,720

18,004,720

*Charge for the defined benefit plan*

Service cost

-

770,936

Interest cost

-

-

-

770,936

- 8.02 The scheme provides for terminal benefits for all its permanent employees who attain the minimum qualifying period at varying percentages of last drawn basic salary upto the year ended Septembet 30, 2019. The percentage depends on the number of service years with the Company. No provision is made for the year, since the Company is not operational during the year and it is not financially feasible for the Company to carry out actuarial valuation.

## 9 DEFERRED TAXATION

2020

2019

Rupees

**Deferred tax liability on taxable temporary differences**

Surplus on revaluation of property, plant and equipment Property, plant and equipment

715,771,312

764,663,385

**Deferred tax asset on deductible temporary differences**

Employees retirement benefits

(11,663,004)

(11,662,714)

Finance lease

(7,884,416)

(7,884,416)

Unused tax losses

(119,002,928)

(119,002,928)

(138,550,348)

(138,550,058)

577,220,964

626,113,327

Deferred tax assets of Rs. 1,063 million (2019: 975 million) on deductible temporary differences have not been recognized due to unpredictability of adjustable in future periods.



		2020	2019		
<b>10 TRADE AND OTHER PAYABLES</b>		<b>Rupees</b>			
Trade creditors		176,277,171	185,711,844		
Advances from Customers -Unsecured		262,253,957	262,253,957		
Accrued liabilities		70,627,768	70,649,913		
Sales tax payable		208,377,084	208,763,617		
Other payables	10.1	74,070,586	74,013,617		
		<u>791,606,566</u>	<u>801,392,947</u>		
10.1 Other payables include an amount of Rs. 30,564,611 of penalty imposed by Trading Corporation of Pakistan (TCP). The Company is defending a suit filed by TCP for recovery before Honorable Sindh High Courts, and the case still pending. TCP has requested NAB to take up the case, so case is in NAB now and NAB summoned the authorized representative of the Company.					
<b>11 MARKUP ON LOANS AND OTHER PAYABLES</b>					
Long term financing		807,786,698	577,422,505		
Finance lease		954,816	954,816		
Short term borrowings		15,012,500	15,012,500		
Others	11.01	19,862,810	19,862,810		
		<u>843,616,824</u>	<u>613,252,631</u>		
11.01 This represents markup accrued penalty as disclosed in note 10.1					
<b>12 SHORT TERM BORROWINGS</b>					
<b>Loan from related parties</b>					
Abdullah Sugar Mills Limited		654,258,699	655,337,483		
Haseeb Waqas Trading (Private) Limited		2,204,064	2,204,064		
		<u>656,462,763</u>	<u>657,541,547</u>		
These are unsecured, interest free and payable on demand of the related parties and for the purpose of working capital of the Company; and be adjusted against sale of goods etc.					
<b>13 CURRENT PORTION OF NON CURRENT LIABILITIES</b>					
Long term financing	7.1	1,625,000,000	1,217,000,000		
Finance lease		27,187,642	27,187,642		
		<u>1,652,187,642</u>	<u>1,244,187,642</u>		
<b>14 CONTINGENCIES AND COMMITMENTS</b>					
14.1 The collector of Sales Tax And Central Excise (Adjudication) Lahore has issued a show cause notice to the Company for the further tax amounting to Rs. 47 million upto the tax period September 2002 on the grounds that it charged sales tax at the rate of 15 % on its sales to persons liable to be registered.					
14.2 The Federal Board of Revenue has blacklisted the Sales Tax status of the Company on 8th March 2018 due to non compliance of the Sales Tax Act, 1990 and the rules made thereunder including not discharging of sales tax liability as outstanding in note # 10. However, the Company will further proceed to restate the sales tax status after starting of crushing season with permission of Supreme Court.					
14.3 Company has made defaults in repayment of installment of long term loans form financial institutions and bank. As a result, company's name has been included in CIB report of State Bank of Pakistan. The detail of the cases are as:					
Sr. #	Name of the Court	Date Instituted	Principal parties	Description of the factual basis of the proceedings	Relief sought
1	Lahore High Court	03-May-17	Sindh Bank Limited	Default in repayment of principal amount of long term loans along with markup	rescheduling of loan
2	Lahore High Court	29-Jan-16	The Bank of Punjab	Default in repayment of principal amount of long term loans along with markup	rescheduling of loan
3	Lahore High Court	22-Sep-16	National Bank of Pakistan	Default in repayment of principal amount of long term loans along with markup	rescheduling of loan
4	Banking Courts	31-Mar-17	First National Bank Modarba	Default in repayment of principal amount of long term loans along with markup	rescheduling of loan
5	Banking Courts	20-Apr-18	PAIR Investment Company Limited	Default in repayment of principal amount of long term loans along with markup	rescheduling of loan
14.4 The Division Bench of Honorable Lahore High Court Lahore in its judgment dated September 11, 2017 ordered the relocation of Haseeb Waqas Sugar Mills Limited from Muzaffar Garh to Nankana. Furthermore, Lahore High Court directed the mills to restore and restate the position by dismantling & removing the said mills from the present location. The Supreme Court of Pakistan vide short order even dated September 13, 2018 dismissed the Company's appeal and prohibited the Company from conducting any business in relation to or functioning as a sugar mill after the period of two months i.e. 12 November 2018. Further, the appellants are directed to remove within the said period from Muzaffar Garh (current factory location) to Nankana (pervious factory location). However, the Company has filled review petition dated 6th November 2018 to review the above order and accept the appeal filed by the petitioners; but the Supreme Court upheld the previous order to remove the plant from Muzaffar Garh to Nankana Sahab. Further the company has moved an application to Ministry of Industries under section 3 of the Punjab Industries (Control on Establishment and Enlargement) Ordinance 1963 but the application has been turned down by Ministry of Industries and the management moving a petition against the same. Principal parties for respondents are Govt. of the Punjab, JDW Sugar Mills Limited, Ashraf Sugar Mills Limited, Indus Sugar Mills Limited RYK Mills Limited etc.					
14.5 The Company has not complied with the section 244 of Companies Act, 2017 with respect to unclaimed dividend but it is not expected to have any legal consequences as the requirement is expected to withdraw.					

#### Commitments

No major commitments were outstanding as at 30 September 2020.



## 16 LONG TERM DEPOSITS

These mainly comprise of security deposits with Central Depository Company and Sui Northern Gas Pipeline Limited and other security receivables at factory location.

## 17 STORES, SPARES AND LOOSE TOOLS

Stores  
Spares

	2020	2019
	Rupees	
	55,729,399	55,729,399
	163,397	163,397
	<u>55,892,796</u>	<u>55,892,796</u>

17.1 No identifiable store and spare are held for specific capitalization.

## 18 STOCK IN TRADE

Work in process  
Sugar  
Molasses

	-	-
	-	-
	-	-

Finished goods  
Sugar

	-	-
	-	-
	-	-

## 19 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES - considered good

Advances to employees:

- against purchases  
- against salaries - secured

Advances to growers - unsecured

Advance income tax

Deposits

		699,794	699,794
20.01		871,975	915,975
20.02		19,065,736	42,192,264
		32,880,236	32,678,083
20.03		8,712,721	8,712,721
		<u>62,230,462</u>	<u>85,198,837</u>

20.01 These are interest free amounts advanced to staff against future salaries and retirement benefits and are in accordance with the Company policy.

20.02 These represent interest free unsecured advances given to sugarcane growers against future procurement of sugarcane and are in consonance with other sugar manufacturers securing future supplies of sugarcane.

20.03 These represent interest free unsecured deposit with TCP and will likely be set off against the liability as mentioned in note # 11.1.

## 20 CASH AND BANK BALANCES

Cash in hand  
Cash with banks - in current accounts

	30,787	35,317
	1,681,334	1,709,421
	<u>1,712,121</u>	<u>1,744,738</u>

## 21 SALES - NET

- Sugar - Local  
- Molasses  
- Mud

	-	-
	-	-
	-	-
	-	-

Less: Sales tax and federal excise duty

	-	-
	-	-

## 22 COST OF GOODS SOLD

Raw materials consumed  
Stores and spares consumed  
Salaries, wages and other benefits  
Repair and maintenance  
Depreciation  
Others

	-	-
	-	3,725
22.01	3,908,014	10,155,888
	1,861,845	3,448,189
15.3	162,562,064	172,958,664
	73,564	909,671
	<u>168,405,487</u>	<u>187,476,137</u>

Opening work in process  
Closing work in process

	-	-
	-	-
	-	-

Cost of goods manufactured

	168,405,487	187,476,137
--	-------------	-------------

Opening finished goods  
Closing finished goods

	-	-
	-	-
	-	-
	<u>168,405,487</u>	<u>187,476,137</u>

22.01 Salaries and benefits include Rs.Nil million (2019: Rs. 0.369 million) on account of employee retirement benefits.



		2020	2019
		Rupees	
<b>23 ADMINISTRATIVE AND GENERAL EXPENSES</b>			
Director's remuneration			
Salaries, wages and other benefits	24.01	4,385,428	7,580,304
Traveling and conveyance		43,989	253,944
Rent, rates and taxes		-	2,400,000
Repairs and maintenance		23,320	43,316
Fees and subscription		149,613	493,082
Vehicle running and maintenance		106,690	588,299
Printing and stationery		54,020	268,445
Telephone and postage		24,077	83,989
Advertisement		73,632	124,833
Entertainment		68,192	569,506
Legal and professional charges		538,600	3,271,444
Depreciation	15.3	6,053,774	6,472,166
Miscellaneous		97,430	1,011,675
		<u>11,618,765</u>	<u>23,161,002</u>
24.01 Salaries and benefits include Rs. Nil (2019: Rs. 0.402 million) on account of employees retirement benefits.			
<b>24 OTHER OPERATING CHARGES</b>			
Auditors' remuneration			
- Statutory audit		500,000	500,000
- Half year review		60,000	60,000
- Review and certifications		40,000	40,000
- Out of pocket		25,000	25,000
		<u>625,000</u>	<u>625,000</u>
<b>25 OTHER OPERATING INCOME</b>			
Scrap Sale		-	-
Gain on sale of fixed assets		-	652,713
		<u>-</u>	<u>652,713</u>
<b>26 FINANCE COST</b>			
Interest / mark up on:			
Long term financing		230,364,193	216,686,642
Bank charges and commission		2,415	11,194
		<u>230,366,608</u>	<u>216,697,836</u>
<b>27 TAXATION</b>			
Current tax			
For the year		-	-
Prior years		-	3,134,659
Deferred tax		(48,892,363)	(93,445,221)
		<u>(48,892,363)</u>	<u>(90,310,562)</u>
27.01 No tax reconciliation between applicable tax rate and average tax rate is shown because the company's current tax liability is Nil during the year.			
27.02 Major components of current tax are as follows:			
Minimum turnover tax		-	10,590,936
Tax credits availed		-	(10,590,936)





## 28 EARNING PER SHARE - Basic

(Loss) after taxation for the year

Outstanding weighted average ordinary shares

Earnings per share - Basic and diluted

	2020	2019
	Rupees	
<b>Rupees</b>	(362,123,497)	(336,996,700)
<b>No. of shares</b>	32,400,000	32,400,000
<b>Rupees</b>	(11.18)	(10.40)

### 28.1 Diluted earnings per share

There is no dilution effect on the basic earnings per share of the Company as the Company has no such commitments.

## 29 PLANT CAPACITY AND PRODUCTION

### Processed cane

Installed capacity (tones)

Installed capacity (days)

Actual crushing (tones)

Actual crushing (days)

Actual production (percentage of actual capacity in tones)

-	-
-	-
-	-
-	-
-	-

### Sugar

Installed capacity (tones)

Installed capacity (days)

Actual production (tones)

Actual production (days)

Actual production (percentage of actual capacity in tones)

Cane sugar recovery

-	-
-	-
-	-
-	-
-	-
-	-

The reason for closure of production is disclosed in note # 15.4 to the financial statements.

## 30 FINANCIAL INSTRUMENTS BY CATEGORY

-As at Statement of Financial Position at amortized cost:

### Financial assets

Long term deposits

Advances, deposits and other receivables

Cash and bank balances

	2020	2019
	Rupees	
	490,000	490,000
	62,230,462	85,198,837
	1,712,121	1,744,738
	64,432,583	87,433,575

### Financial liabilities

Trade and other payables

Loan from Directors and Sponsors

Loan from financial institution

Accrued interest / mark-up

Short term borrowings

791,606,566	801,392,947
841,731,639	841,631,639
1,652,187,642	1,652,187,642
843,616,824	613,252,631
656,462,763	657,541,547
4,785,605,434	4,566,006,406

### 30.01 Fair values of financial assets and liabilities

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

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.



## 31 FINANCIAL INSTRUMENTS

### 31.01 Fair value and risk management

Fair value is the amount that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company is current bid price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

**31.02** However, fair values are not disclosed as carrying values are reasonable approximation of their net fair value.

#### On-balance sheet financial instruments

	Carrying amount				Fair Value			
	Fair Value through Profit or Loss	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
<b>30 September, 2020</b>								
<b>Financial Assets not measured at fair value</b>								
Advances, deposits, prepayments and other receivables	-	29,350,226	-	29,350,226	-	-	-	-
Long Term Deposits	-	490,000	-	490,000	-	-	-	-
Cash and bank balances	-	1,712,121	-	1,712,121	-	-	-	-
	-	31,552,347	-	31,552,347	-	-	-	-
<b>Financial Liabilities not measured at fair value</b>								
Loan from banking companies	-	-	1,625,000,000	1,625,000,000	-	-	-	-
Trade and other payables	-	-	176,277,171	176,277,171	-	-	-	-
Accrued Markup	-	-	843,616,824	843,616,824	-	-	-	-
Unclaimed Dividend	-	-	1,443,972	1,443,972	-	-	-	-
Loan from related parties	-	-	656,462,763	656,462,763	-	-	-	-
	-	-	3,302,800,730	3,302,800,730	-	-	-	-
<b>30 September, 2019</b>								
<b>Financial Assets not measured at fair value</b>								
Advances, deposits, prepayments	-	52,520,754	-	52,520,754	-	-	-	-
Long Term Deposits	-	490,000	-	490,000	-	-	-	-
Cash and bank balances	-	1,744,738	-	1,744,738	-	-	-	-
	-	54,755,492	-	54,755,492	-	-	-	-
<b>Financial Liabilities not measured at fair value</b>								
Loan from banking companies	-	-	1,652,187,642	1,652,187,642	-	-	-	-
Trade and other payables	-	-	330,375,374	330,375,374	-	-	-	-
Accrued Markup	-	-	613,252,631	613,252,631	-	-	-	-
Unclaimed Dividend	-	-	1,443,972	1,443,972	-	-	-	-
Loan from related parties	-	-	657,541,547	657,541,547	-	-	-	-
	-	-	3,254,801,166	3,254,801,166	-	-	-	-



## 31.03 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. There were no changes to Company's approach to capital management during the year. The Company is not subject to any externally imposed Capital requirements.

The Company manages its capital structure and makes adjustment to it in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may issue right shares or negotiate with banks for new financing or restructure existing financing.

The gearing ratios were as follows:

		2020	2019
Long term financing	Rupees	1,652,187,642	1,652,187,642
Short term financing	Rupees	656,462,763	657,541,547
Total debt	Rupees	2,308,652,425	2,309,731,208
Total Equity	Rupees	(1,284,864,735)	(922,841,238)
Capital employed	Rupees	1,023,787,690	1,386,889,970
Gearing ratio		-126%	-67%

## 31.04 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on having cost effective funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

Risk management is carried out by the Company's finance department under policies approved by the Board of Directors.

### (a) Market risk

#### (i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Company has no significant interest-bearing assets, the Company's income and resultant operating cash flows are substantially independent of changes in market interest rates.

At the reporting date, the interest rate profile of the company's significant interest bearing financial instruments was as follows:

#### Financial liabilities

	2020 Percentage	2019 Percentage	2020 Rupees	2019 Rupees
Long term financing	9.04 to 17.97	7.40 to 11.93	1,625,000,000	1,625,000,000
Total yield / markup rate risk sensitivity gap			1,625,000,000	1,625,000,000

#### Fair value sensitivity analysis for fixed rate instruments:

The company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore, a change in interest rates at the reporting date would not affect profit and loss account.

#### Cash flow sensitivity analysis for variable rate instruments:

	Effect on Profit and Loss 1% rate	
	Increase	Decrease
<b>As at September 30, 2020</b>		
Cash flow sensitivity - variable rate financial liabilities	16,250,000	(16,250,000)
<b>As at September 30, 2019</b>		
Cash flow sensitivity - variable rate financial liabilities	16,250,000	(16,250,000)

#### (ii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate 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 is not exposed to equity securities price risk as there is no investment in listed securities.

#### (iii) Foreign currency risk

The Company does not have any commitment or balance in foreign currency as at financial position date which result in foreign currency risk.



## (b) Credit risk

Credit risk represents the risk of financial loss being caused if counter parties fail to discharge an obligation.

Credit risk arises from deposits with banks, trade debts, loans and advances, deposits and other receivables. The company seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable. Where considered necessary, advance payments are obtained from certain parties. The maximum exposure to credit risk is equal to the carrying amount of financial assets. Out of the total financial assets of Rs. 64,432,583 (2019: Rs. 87,433,575) the financial assets exposed to credit risk amount to Rs. 31,552,347 (2019: Rs.54,720,175).

The Company monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings. The carrying values of financial assets which have not impaired are as under:

	2020	2019
	Rupees	
Long term deposits	490,000	490,000
Advances, deposits, prepayments and other receivables	62,230,462	85,198,837
Cash and bank balances	1,712,121	1,744,738
	<u>64,432,583</u>	<u>87,433,575</u>

The credit quality of receivables can be assessed with reference to their historical performance with no or some defaults in recent history, however, no losses. The credit quality of Company's bank balances can be assessed with reference to external credit.

Bank	Rating agency	Short Term Borrowings	Long Term Loans
United Bank Limited	JCR-VIS	A-1+	AAA
The Bank of Punjab	PACRA	A-1+	AA
Sindh Bank Limited	JCR-VIS	A-1	A+
MCB Bank Limited	PACRA	A-1+	AAA
National Bank of Pakistan	JCR-VIS / PACRA	A-1+	AAA

Geographically, there is no concentration of credit risk.



## (c) Liquidity risk

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate committed credit facilities and directors and sponsor of the Company.

The table shows analyses how management monitors net liquidity based on details of the remaining contractual maturities of financial assets and liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

2020				
	Carrying Amount	Contractual cash flows	Upto twelve months	Two to five years
<b>Financial Liabilities</b>				
Loan from banking companies	1,625,000,000	1,625,000,000	1,625,000,000	-
Trade and other payables	176,277,171	176,277,171	176,277,171	-
Accrued Markup	843,616,824	843,616,824	843,616,824	-
Unclaimed Dividend	1,443,972	1,443,972	-	1,443,972
Loan from related parties	656,462,763	656,462,763	656,462,763	-
	3,302,800,730	3,302,800,730	3,301,356,758	1,443,972
<b>Financial Assets</b>				
Advances, deposits, prepayments and other receivables	29,350,226	29,350,226	29,350,226	-
Long Term Deposits	490,000	490,000	-	490,000
Cash and bank balances	1,712,121	1,712,121	1,712,121	-
	31,552,347	31,552,347	31,062,347	490,000
	(3,271,248,383)	(3,271,248,383)	(3,270,294,411)	(953,972)
2019				
	Carrying Amount	Contractual cash flows	Upto twelve months	Two to five years
<b>Financial Liabilities</b>				
Loan from banking companies	1,625,000,000	1,625,000,000	1,217,000,000	408,000,000
Trade and other payables	185,711,844	185,711,844	185,711,844	-
Accrued Markup	613,252,631	613,252,631	613,252,631	-
Unclaimed Dividend	1,443,972	1,443,972	-	1,443,972
Loan from related parties	657,541,547	657,541,547	657,541,547	-
	3,082,949,994	3,082,949,994	2,673,506,022	409,443,972
<b>Financial Assets</b>				
Advances, deposits, prepayments and other receivables	52,520,754	52,520,754	52,520,754	-
Long Term Deposits	490,000	490,000	-	490,000
Cash and bank balances	1,744,738	1,744,738	1,744,738	-
	54,755,492	54,755,492	54,265,492	490,000
	(3,028,194,502)	(3,028,194,502)	(2,619,240,530)	(408,953,972)





## 32 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise holding company, subsidiaries and associated undertakings, other related group companies, key management personnel including Chief executive, Directors and Executives and Post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Details of related party transactions and balances are as follows:

The Company during the year entered into transactions with the following related parties:

Name of Related Party	Nature of relationship	% of Shareholding
Abdullah Sugar Mills Limited	Associate (common management/directorship)	8.952
Haseeb Waqas Trading (Private) Limited	Associate (common management/directorship)	0
Mian Waqas Riaz	Director	2.37
Mrs. Shehzadi Ilyas	Director	7.42
Mrs. Zainab Waqas	Director	1.029
Mian Haseeb Ilyas	Chief Executive / Director	6.832
Mian Abdullah Ilyas	Director	9.218
Key Management Personnel	Employer - Employee	

### 32.1 Details of related party transactions other than those with key management personnel

The Company during the year entered into following transactions with related parties other than key management personnel:

	2020	2019
<b>32.1.1 Transactions with related parties</b>	<b>Rupees</b>	
<b>Sale of molasses</b>		
Abdullah Sugar Mills Limited	-	-
<b>(Repayment) / Obtain loan (to) / from - net:</b>		
Abdullah Sugar Mills Limited	(1,078,784)	(12,037,988)
Mrs. Shehzadi Ilyas	7,973,557	7,973,557
Mian Abdullah Ilyas	4,088,224	-
Mian Haseeb Ilyas	25,500	25,500
Mian Abdullah Ilyas	3,985,510	3,985,510

**32.1.2** Payments against balances due to related parties were made partially in cash and partially by paying for expenses on behalf of related parties and vice versa.

### 32.2 Details of related party balances are as follows:

	2020	2019
<b>32.2.1 Balances payable to related parties</b>	<b>Rupees</b>	
Haseeb Waqas Trading (Private) Limited	2,204,064	2,204,064
Abdullah Sugar Mills Limited	654,258,699	655,337,483
Mian Waqas Riaz	15,597,680	15,597,680
Mrs. Shehzadi Ilyas	408,182,756	400,109,199
Mrs. Zainab Waqas	117,500,100	117,500,100
Mian Haseeb Ilyas	252,257,150	252,231,650
Mian Abdullah Ilyas	48,193,953	44,208,443

### 32.3 Compensation of directors, chief executive and executives

	Year ended 30 September 2020		
	Chief		
	Executive	Directors	Executives
<b>Short-term employee benefits</b>			
Remuneration	-	-	3,000,000
<b>Post employment benefits</b>			
Retirement benefits paid	-	-	-
	-	-	3,000,000
No. of persons	0	0	1



## Short-term employee benefits

Remuneration

## Post employment benefits

Retirement benefits paid

No. of persons

Year ended 30 September 2019		
Chief Executive	Directors	Executives
-	-	8,220,000
-	-	-
-	-	8,220,000
1	2	3

Due to the negative cash flows, the Chief Executive and all the Directors of the Company have waived their right to receive Directors' remuneration and meeting fee. Additionally, Chief Executive and one Director are provided with free use of cellular phones and Company maintained cars.

## 33 ENTITY WIDE INFORMATION

The Company constitutes of a single reportable segment, the principal product is refined white sugar.

### Information about geographical areas

The Company does not hold non-current assets in any foreign country. Revenues from customers attributed to foreign countries is nil during the current year.

### Information about major customers

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

## 34 NUMBER OF EMPLOYEES

### Total

Average number of employees during the year

Number of employees as at September 30

### Number of employees

22	54
21	26

## 35 AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements have been authorized for issue by the Board of Directors of the Company on May 25, 2021.

## 36 GENERAL

- Figures have been rounded off to the nearest of Pakistani Rupees,
- Comparative figures have been rearranged / reclassified, wherever necessary, to facilitate comparison.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



15 **PROPERTY, PLANT AND EQUIPMENT - Tangible**

Particulars	Cost / Revalued Amount				Depreciation					Book Value as at September 30, 2020
	As at October 01, 2019	Additions/ (Deletions)	Revaluations	As at September 30, 2020	Rate %	As at October 01, 2019	Adjustment	For the Year	As at September 30, 2020	
<b>Owned</b>										
Land - freehold	261,313,059	-	-	261,313,059	-	-	-	-	-	261,313,059
Buildings on freehold land										
- Factory	375,575,435	-	-	375,575,435	10%	138,759,980	-	23,681,546	162,441,526	213,133,909
- Non-factory	115,367,554	-	-	115,367,554	5%	23,447,667	-	4,595,994	28,043,661	87,323,893
Plant and machinery	3,360,693,365	-	-	3,360,693,365	5%	738,972,255	-	131,086,056	870,058,311	2,490,635,054
Electric equipment	624,971	-	-	624,971	10%	176,639	-	44,833	221,472	403,499
Furniture and fixtures	57,469,483	-	-	57,469,483	10%	44,385,544	-	1,308,394	45,693,938	11,775,545
Vehicles	24,985,116	-	-	24,985,116	20%	24,462,351	-	104,553	24,566,904	418,212
	4,196,028,983	-	-	4,196,028,983		970,204,436	-	160,821,375	1,131,025,812	3,065,003,171
<b>Leased</b>										
Plant and machinery	139,500,000	-	-	139,500,000	10%	61,555,371	-	7,794,463	69,349,834	70,150,166
	139,500,000	-	-	139,500,000		61,555,371	-	7,794,463	69,349,834	70,150,166
<b>Total 2020</b>	4,335,528,983	-	-	4,335,528,983		1,031,759,807	-	168,615,838	1,200,375,646	3,135,153,337

R U P E E S

Particulars	Cost / Revalued Amount				Depreciation					Book Value as at September 30, 2019
	As at October 01, 2018	Additions/ (Deletions)	Revaluations	As at September 30, 2019	Rate %	As at October 01, 2018	Adjustment	For the Year	As at September 30, 2019	
<b>Owned</b>										
Land - freehold	261,313,059	-	-	261,313,059	0%	-	-	-	-	261,313,059
Buildings on freehold land										
- Factory	375,575,435	-	-	375,575,435	10%	112,447,152	-	26,312,828	138,759,980	236,815,455
- Non-factory	115,367,554	-	-	115,367,554	5%	18,609,778	-	4,837,889	23,447,667	91,919,887
Plant and machinery	3,360,693,365	-	-	3,360,693,365	5%	600,986,933	-	137,985,322	738,972,255	2,621,721,110
Electric equipment	624,971	-	-	624,971	10%	126,824	-	49,815	176,639	448,332
Furniture and fixtures	57,469,483	-	-	57,469,483	10%	42,931,773	-	1,453,771	44,385,544	13,083,939
Vehicles	26,177,921	(1,192,805)	-	24,985,116	20%	25,477,178	(1,145,518)	130,691	24,462,351	522,765
	4,197,221,788	(1,192,805)	-	4,196,028,983		800,579,638	(1,145,518)	170,770,315	970,204,436	3,225,824,547
<b>Leased</b>										
Plant and machinery	139,500,000	-	-	139,500,000	10%	52,894,857	-	8,660,514	61,555,371	77,944,629
	139,500,000	-	-	139,500,000		52,894,857	-	8,660,514	61,555,371	77,944,629
<b>Total 2019</b>	4,336,721,788	(1,192,805)	-	4,335,528,983		853,474,495	(1,145,518)	179,430,830	1,031,759,807	3,303,769,176



**15.1** Particulars of immovable property (i.e. land and building on land) are as follows:

Location / address	Usage of immovable property	Total area (Acres)	Approx. covered area (Acres)
Moza Jagmal, Ali Pur Jottoi Road, Tehsil Jattoi, Distt. Muzagargarh	Curent Production Unit	72.05	55%
4 km, Nankana Bouchekei Road, Nankana Sahib	Land Area	72.81	0%

**15.2** The depreciation charged for the year has been allocated as under:

	Note	2020 Rupees	2019 Rupees
Cost of sales	22	162,562,064	172,958,664
Administrative expenses	23	6,053,774	6,472,166
		<u>168,615,838</u>	<u>179,430,830</u>

**15.3** Revalued land, building and plant and machinery:

The fair value of the Company's land, buildings and plant and machinery were determined by an independent professionally qualified valuer M/s Empire Enterprises on September 30, 2014. The valuation is based on an open market value.

Last evaluation was carried out by an independent valuer Arif Evaluators on 22nd January 2019. However, the Company decided not to incorporate the revalued amounts in financial statements in 2019. The fair value of land, building and plant and machinery as per evaluation report was 4,021.408 millions

The activity in the property markets in which these assets are located provides observable market data on which reliable fair value estimates can be derived. In determining the valuation, the valuer refers to current market conditions and recent sales transactions of similar properties for land; class and type of construction, quality of material used, standard of workmanship and finish for building; and contacted to supplier and different sugar plan manufacturing consultants in the Country or abroad for plant and machinery. In estimating the fair value of the property, the highest and best use of the property is their current use.

The carrying values of the land, buildings and plant and machinery would have been Rs. 96 million, Rs. 201 million and Rs. 845 million under the cost model.

The forced sale value of the revalued of land, buildings and plant and machinery was assessed at the discount of 20 % of the value of revaluation at the date of revaluation.



## FORM OF PROXY

The Company Secretary  
Haseeb Waqas Sugar Mills Limited  
06-F, Model Town,  
Lahore.

I / We \_\_\_\_\_  
of \_\_\_\_\_ being member(s) of Haseeb Waqas Sugar Mills Limited  
holding \_\_\_\_\_ ordinary Shares as per Share Register Folio No./CDC Participant I.D. No.  
\_\_\_\_\_ hereby appoints Mr/Mrs/Miss \_\_\_\_\_ of \_\_\_\_\_ who is also a  
member of the Company, Folio No./CDC Participant I.D. No. \_\_\_\_\_ or failing  
him/her \_\_\_\_\_ of \_\_\_\_\_ Folio No./ CDC Participant I.D. No.  
another member of the Company as my / our Proxy in my / our absence to attend and vote for me/us  
and on my/our behalf at the 29<sup>th</sup> Annual General Meeting of the Company to be held on 18 June 2021  
at 09:00 a.m. at the Registered Office of the Company.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2021

Please affix Five  
Rupees Revenue  
Stamp

### Signature of Member

(The Signature should agree with the  
specimen registered with the Company.)

### Witness:

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

NIC No: \_\_\_\_\_

### Witness:

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

NIC No: \_\_\_\_\_

### Notes

1. This proxy form, duly completed and signed, must be received at the Registered Office of the Company, 6-F, Model Town, Lahore, not less than 48 hours before the time of holding the meeting.
2. If a member appoints more than one proxy and more than one instruments of proxies are deposited by a member with the company, all such instruments of proxy shall be rendered invalid.
3. No person can act as proxy unless he / she is member of the Company, except that a corporation may appoint a person who is not a member.

### For CDC Account Holders / Corporate Entities.

In addition to the above, the following requirements have to be met.

- i. The proxy form shall be witnessed by two persons whose names, addresses and CNIC number shall be mentioned on the form.
- ii. Attested copies of CNIC or Passport of the beneficial owners and the proxy shall be provided with the proxy form.
- iii. The proxy shall produce his **original CNIC or Passport** at the time of attending the meeting.
- iv. In case of corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.





## Notes

1. A member eligible to attend and vote at the meeting may appoint another member as proxy to attend and vote in the meeting. Proxies in order to be effective must be received by the company at the Registered Officer not later than 48 hours before the time of holding the meeting.
2. In order to be valid, an instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney, must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting. Pursuant to SECP Companies (E-Voting) Regulations, 2016. Members can also exercise their right to vote through e-voting by giving their consent in writing at least 10 days before the date of the meeting to the company on the appointment of execution officer by the intermediary as proxy.
  - a) Individual beneficial owners of CDC entitled to attend and vote at the meeting must bring his/her participant ID and account/sub-account number along with original CNIC or passport to authenticate his/her identity. In case of Corporate entity, resolutions of the Board of Directors/Power of attorney with specimen of nominee shall be produced (unless provided earlier) at the time of meeting.
  - b) For appointing of proxies, the individual beneficial owners of CDC shall submit the proxy form as per above requirement along with participant ID account/sub-account number together with attested copy of their CNIC or Passport. The proxy form shall be witnessed by two witnesses with their names, addresses and CNIC numbers. The proxy shall produce his/her original CNIC or Passport at the time of meeting. In case of Corporate entity, resolution of the Board of Directors/Power of attorney along with specimen signatures shall be submitted (unless submitted earlier) along with the proxy form.