



ANSARI SUGAR MILLS LIMITED

THIRTY FOURTH ANNUAL REPORT 2023

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COMPANY PROFILE

BOARD OF DIRECTORS

Khawaja Anver Majid
Noor Muhammad
Waheed Ahmed
Khawaja Aleem Majid
Iqbal Buledi
Dawoodi Morkas
Aurangzeb Khan

Chief Executive & Executive Director
Non-Executive Director (Independent)
Non- Executive Director
Non- Executive Director
Non- Executive Director
Non- Executive Director
Executive Director & Chairman

AUDIT COMMITTEE

Khawaja Aleem Majid
Noor Muhammad
Dawoodi Morkas

Chairman, Non-Executive Director
Member, Non-Executive Director (Independent)
Member, Non Executive Director

HUMAN RESOURCE & RUMENERATION COMMITTEE

Khawaja Aleem Majid
Noor Muhammad
Waheed Ahmed

Chairman, Non Executive Director
Member, Non- Executive Director (Independent)
Member Non- Executive Director

CHIEF FINANCIAL OFFICER

Khawaja Muhammad Salman Younis

COMPANY SECRETARY

Imran Hameed

BANKERS

National Bank of Pakistan
Sindh Bank Limited
Summit Bank Limited
UBL Bank Limited
MCB Bank Limited
Habib Bank Limited
Bank-Al-Habib Limited

AUDITORS

M/s. Rao & Company Chartered Accountants

COST AUDITOR

Ale Imran & Co Chartered Accountants
Cost and Management Accountants

LEGAL ADVISOR

Kashif Hanif Law Associates

REGISTRAR

C&K Management Associates (Pvt) Ltd.
M13, Progressive Plaza, Civil Lines Quater, Near P.I.D.C.
Beaumont Road, Karachi-75530, Pakistan.

REGISTERED OFFICE

Deh Jagsiyani, Taluka Tando Ghulam Hayder,
District Tando Mohammad Khan, Hyderabad, Sindh.

CORPORATE OFFICE

CL-5/4, State Life Building No. 10,
Abdullah Haroon Road, Karachi

EMAIL ADDRESS

ansarisugarmills@omnigroup.com.pk

WEBSITE

www.ansarisugar.com.pk

FACTORY

Deh Jagsiyani, Taluka Tando Ghulam Hayder
District Tando Mohammad Khan, Sindh.



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 34th(Thirty-Fourth) Annual General Meeting of the members of Ansari Sugar Mills Limited (the Company) will be held on Monday September 30th, 2024 at 11:30 am at registered office of the company, situated at Deh Jagsiyani, Taulka Tando Ghulam Hayder, District Tando Muhammad Khan, Hyderabad Sindh as well as through video conferencing facility for transacting the following business.

A. ORDINARY BUSINESS

- To confirm the minutes of the last Annual General Meeting held on, July 02, 2024.
- To receive, consider and adopt the Audited Financial Statements of the Company for the year ended September 30, 2023 together with the Directors' report and the Auditors' report thereon.

As required under section 223(7) of the Companies Act 2017, Financial Statements of the Company have been uploaded on the official website of the Company (<http://www.ansarisugar.com.pk>).

- To appoint auditors and fix their remuneration for the year ended September 30, 2024.

B. SPECIAL BUSINESS

01. To change the registered address of the company.

- **From:** Deh Jagsiyani, Taulka Tando Ghulam Hayder, District Tando Muhammad Khan, Hyderabad Sindh.
- **To:** CL-5/4, State Life Building No. 10, Abdullah Haroon Road, Karachi, Sindh

02. To approve and authorize Company to sell molasses to Pak ethanol (Pvt) Limited at a price agreed between both the companies.

- To enter into any other business (es) with the permission of the chair.

For ANSARI SUGAR MILLS LIMITED
Karachi

Dated: September 10, 2024

Company Secretary



NOTES:

- **Closure of Share Transfer Books:**

The Shares Transfer Book of the Company will remain closed from September 24, 2024 to September 30, 2024 (both day inclusive). Transfers received in order at the office of our Registrar, M/s C&K Management Associates (Pvt.) Ltd. M 13, Progressive Plaza Civil Lines Quarters Near P.I.D.C. Beamount Road Karachi by the close of business (5:00 p.m.) on September 23, 2024 will be treated as being in time for the purposes of attending and voting at the meeting.

- **Participation in Annual General Meeting and appointing proxies:**

A member of the company entitled to attend and vote at the AGM may appoint another member as his/her proxy to attend and vote on his/her behalf. Proxies in order to be effective must be received at the registered office of the company or shares registrar's office not later than 48 hours before the meeting.

CDC account holders / subaccount holders are requested to bring with them their original CNIC's or Passports along with Participant(s) ID number and CDC account numbers at the time of attending the Annual General Meeting for identification purpose. If proxies are granted by members the same must be accompanied with attested copies of CNIC's or the passports of the beneficial owners. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be submitted along with Proxy form to the Company. The nominee shall produce his original CNIC at the time of attending the meeting for verification.

1. Postal Ballot & E- Voting:

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 (the "Regulations"), amended through Notification dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), wherein, SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, members of Company will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in its forthcoming AGM to be held on 30th September 2024 at 11:30 a.m. in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

For the convenience of the Members, ballot paper is annexed to this notice and the same is also available on the Company's website at www.ansarisugar.com.pk for download.



A. Procedure for E – Voting:

- (i) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business of September 23rd 2024.
- (ii) The web address, login details, will be communicated to members via email. The security codes will be communicated to members through SMS from web portal of CDC Share Registrar Services Limited (being the e-voting service provider).
- (iii) Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- (iv) E-voting lines will start from 26th September 2024, 9:00 a.m. and shall close on 29th September 2024 at 5:00 p.m. Members can cast their votes any time in this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

B. Procedure for Voting Through Postal Ballot:

The members shall ensure that duly filled and signed ballot paper along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post on the Company's registered address, Deh Jagsiyani, Taulka Tando Ghulam Hayder, District Tando Muhammad Khan, Hyderabad Sindh, or email at Chairman@omnigroup.com.pk by 29th September 2024 till 5:00 p.m. The signature on the ballot paper shall match with the signature on CNIC.

1. Zoom Video Link

The Shareholders may also attend the AGM through Video link facility via Zoom. Accordingly, those Shareholders who are interested in attending the AGM are requested to register themselves at the following link latest by Close of Business on 27th September 2024:

<https://us02web.zoom.us/j/86082312708?pwd=u2YegB5bh8u61cWPj09wHMiWxQJo1w.1>

• Submission of copies of CNIC:

In terms of the directive of the Securities and Exchange Commission of Pakistan (SECP) the Computerized National Identity Card Numbers (CNIC) of the registered shareholders or the authorized person, except in the case of minor(s) and corporate shareholders, are required to be mentioned in the annual return filed by the Company with the SECP. Therefore, the shareholders who have not yet provided copies of their CNIC's are advised to provide at earliest the attested copies of their CNIC's (if not already provided) directly to our Independent Share Registrar, M/s C&K Management Associates (Pvt.) Ltd. M 13, Progressive Plaza Civil Lines Quarters Near P.I.D.C. Beamont Road Karachi.



- **Submission of Annual audited accounts through E-mail/CD**

Pursuant to the directions issued by the SECP vide SRO 787 (1) 2014 dated September 8, 2014, has directed and shareholders of the Company in the 29th Annual General Meeting held on August 16, 2023, approved to circulate audited Financial Statements along with Notice of Annual General Meeting to its members through e-mail/CD. However, the Company will provide hard copies of the Annual Report to any member on their demand, free of cost at their registered address.

- **Conversion of Physical Shares into CDC Account:**

The SECP, through its letter No. CSD/ED/Misc./2016-639-640 dated March 26, 2021, has advised all listed companies to adhere to the provisions of Section 72 of the Companies Act, 2017 (the Act), which requires all companies to replace shares issued in physical form to book- entry form within four years of the promulgation of the Act. Accordingly, all shareholders of the Company having physical folios/share certificates are requested to convert their shares from physical form into book-entry form at the earliest. Shareholders may contact a PSX Member, CDC Participant, or CDC Investor Account Service Provider for assistance in opening a CDS Account and subsequent conversion of the physical shares into book-entry form. Maintaining shares in book-entry form has many advantages. Safe custody of shares with the CDC, avoidance of formalities required for the issuance of duplicate shares etc. The shareholders of the Company may contact the Share Registrar M/s C&K Management Associates (Pvt.) Ltd. for the conversion of physical shares into book-entry form.

- Members are requested to notify any change in their addresses and contact numbers immediately to our share registrar M/s C&K Management Associates (Pvt.) Ltd. M 13, Progressive Plaza Civil Lines Quarters Near P.I.D.C. Beamount Road Karachi.

Kindly quote your folio number in all correspondences with the Company.



Ansari Sugar Mills Limited

POSTAL BALLOT PAPER

for voting through post for the Special Business at the Annual General Meeting to be held on Monday, September 30, 2024, at 11:30 a.m. at the Registered Office of the Company at Deh Jagsiyani, Taulka Tando Ghulam Hayder, District Tando Muhammad Khan, Hyderabad Sindh
TEL: +92 35205532 Website: www.ansarisugar.com.pk

Folio / CDS Account Number	
Name of Shareholder / Proxy Holder	
Registered Address	
Number of shares Held	
CNIC/Passport No. (in case of foreigner) (copy to be attached)	
Additional information and enclosures (in case of representative of body corporate, corporation, and federal Government)	
Name of Authorized Signatory	
CNIC/Passport No. (in case of foreigner) of Authorized Signatory (copy to be attached)	

Resolution for Agenda Item No. 1

To change the registered address of the company **From:** Deh Jagsiyani, Taulka Tando Ghulam Hayder, District Tando Muhammad Khan, Hyderabad Sindh. To CL-5/4, State Life Building No. 10, Abdullah Haroon Road, Karachi, Sindh

Resolution for Agenda Item No. 2

To approve and authorize Company to sell molasses to Pak ethanol (Pvt) Limited at a price agreed between both the companies.

INSTRUCTION FOR POLL

1. Please indicate your vote by ticking (✓) the relevant box.

2. In case if both the boxes are marked as (✓), you poll shall be treated as **“Rejected”**.

I/we hereby exercise my/our vote in respect of the above resolution through ballot by conveying my/our assent or dissent to the resolution by placing tick (✓) mark in the appropriate box below;

Special Resolution(s)	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Resolution For Agenda Item No. 1		
Resolution For Agenda Item No. 2		

- Dully filled ballot paper should be sent to the Chairman at Deh Jagsiyani, Taulka Tando Ghulam Hayder, District Tando Muhammad Khan, Hyderabad Sindh or email at chairman@omnigroup.com.pk
- Copy of CNIC/ Passport (in case of foreigner) should be enclosed with the postal ballot form.
- Ballot paper should reach the Chairman within business hours by or before September 29, 2024. Any postal ballot received after this date, will not be considered for voting.
- Signature on ballot paper should match with signature on CNIC/ Passport (In case of foreigner).
- Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.
- In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution, / Power of Attorney, / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable.
- Ballot Paper form has also been placed on the website of the Company at: www.gfg.com.pk Members may download the ballot paper from the website.

Shareholder / Proxy holder Signature/Authorized Signatory
(In case of corporate entity, please affix company stamp)

Date: _____



سالانہ عام اجلاس کا نوٹس

بذریعہ ہذا مطلع کیا جاتا ہے کہ انصاری شوگر ملز لمیٹڈ (کمپنی) کے ممبران کا 34 واں (چوتھیوں) سالانہ اجلاس سید 30 ستمبر 2024 کو صبح 11:30 بجے کمپنی کے رجسٹرڈ آفس، دیہہ جلیانی، تعلقہ ٹنڈو غلام حیدر، ضلع ٹنڈو محمد خان، حیدرآباد، سندھ کے ساتھ ساتھ ویڈیو کانفرنس سہولت کے ذریعے مندرجہ ذیل امور کی انجام دہی کیلئے منعقد کیا جائے گا۔

A۔ عمومی امور

- مورخہ 02 جولائی 2024 کو ہونے والے گزشتہ سالانہ اجلاس عام کی کاروائی کی توثیق۔
- مورخہ 30 ستمبر 2023 کو ختم ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالیاتی گوشواروں میں ڈائریکٹرز کی رپورٹ اور اس پر آڈیٹرز کی رپورٹ کی وصولی، ان پر غور و خوض اور اختیار کرنا۔
- کمپنی ایکٹ 2017 کے سیکشن (7) 223 کے تحت تقاضوں کے مطابق، کمپنی کے مالیاتی گوشواروں کو کمپنی کی آفیشل ویب سائٹ (<http://www.ansarisugar.com.pk>) پر اپ لوڈ کر دیا گیا ہے۔
- 30 ستمبر 2024 کو ختم ہونے والے سال کیلئے آڈیٹرز کی تقرری اور ان کے معاوضے کا تعین کرنا۔

B۔ خصوصی امور

- 01 کمپنی کا رجسٹرڈ پتہ تبدیل کرنا۔
 - پرانا پتہ: دیہہ جلیانی، تعلقہ ٹنڈو غلام حیدر، ضلع ٹنڈو محمد خان، حیدرآباد، سندھ
 - نیا پتہ: 5/4-CL، اسٹیٹ لائف بلڈنگ نمبر 10، عبداللہ ہارون روڈ، کراچی، سندھ
 - 02 دونوں کمپنیوں کے مابین طے شدہ قیمت پر پاک اتھنول (پرائیویٹ) لمیٹڈ کو مولیسس کی فروخت کرنے کیلئے کمپنی کو منظوری اور اجازت دینا۔
 - صدر کی اجازت سے کسی دیگر امور کی انجام دہی۔
- کراچی
تاریخ: 10 ستمبر 2024

برائے انصاری شوگر ملز لمیٹڈ
کمپنی سیکریٹری

نوٹس:

- شیئر ٹرانسفر کتب کی بندش:
- کمپنی کی حصص کی منتقلی کی کتب 24 ستمبر 2024 سے 30 ستمبر 2024 تک (دونوں دن سمیت) بند رہے گی۔ ہمارے رجسٹرار، میسرز ای اینڈ کے بینچمنٹ ایسوسی ایٹس (پرائیویٹ) لمیٹڈ M13، پروگریسیو بلاز سول لائسنز کوارٹرز نزد پی آئی ڈی سی ہیو ماؤنٹ روڈ کراچی کے دفتر میں مورخہ 23 ستمبر 2024 کو کاروبار کے اختتام (شام 5:00 بجے) تک موصول ہونے والی منتقلیوں کو اجلاس میں شرکت اور ووٹنگ کے مقاصد کیلئے بروقت سمجھا جائیگا۔
- سالانہ اجلاس عام میں شرکت اور پراسیسز کا تقرر:
- AGM میں شرکت کرنے اور ووٹ دینے کا اہل کمپنی کارکن کسی دوسرے ممبر کو اپنی جانب سے شرکت کرنے اور ووٹ دینے کیلئے اپنا پراکسی مقرر کر سکتا ہے۔ پراسیسز مؤثر ہونے کیلئے ضروری ہے کہ وہ اجلاس سے 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس یا شیئرز رجسٹرار کے دفتر میں موصول ہو جائیں۔
- CDC کا ووٹ ہولڈرز/ذیلی اکاؤنٹ ہولڈرز سے درخواست کی جاتی ہے کہ وہ شناختی مقصد کیلئے سالانہ اجلاس عام میں شرکت کے وقت اپنے ساتھ اپنا اصل CNIC یا پاسپورٹ اور شراکاء ID نمبر اور CDC اکاؤنٹ نمبر ہمراہ لائیں۔ اگر ممبران کی جانب سے پراسیسز مقرر کی جاتی ہیں تو اس کے ہمراہ CNIC کی تصدیق شدہ کاپیاں یا بینیفیشل مالکان کے پاسپورٹ ہمراہ ہونا لازمی ہے۔ کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد اور پاور آف اٹارنی نامزد شخص کے دستخط کے ساتھ پراکسی فارم کے ساتھ کمپنی کو جمع کرایا جائے۔ نامزد شخص تصدیق کیلئے اجلاس میں شرکت کے وقت اپنا اصل CNIC پیش کرنا ہوگا۔

1 پوسٹل بیلٹ اور ای ووٹنگ:

- ممبران کو مطلع کیا جاتا ہے کہ کمپنی (پوسٹل بیلٹ) ریگولیشنز، 2018 ("ضابطے") کے مطابق، جو کہ 05 دسمبر 2022 کو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ("SECP") کے جاری کردہ نوٹیفیکیشن کے ذریعے ترمیم شدہ ہے، جس میں، SECPI نے تمام لسٹڈ کمپنیوں کو ہدایت کی ہے کہ وہ الیکٹرانک ووٹنگ کی سہولت کے ذریعے ووٹ ڈالنے کا حق فراہم کریں اور خصوصی کاروبار کے زمرے میں آنے والے تمام کاروباروں پر ممبران کو ڈاک کے ذریعے ووٹ دیں۔
- اس کے مطابق، ضروریات کے مطابق اور مذکورہ ضوابط میں موجود شرائط سے مشروط کمپنی کے اراکین کو 30 ستمبر 2024 کو صبح 11:30 بجے ہونے والی اس کی آنے والی AGM میں الیکٹرانک ووٹنگ کی سہولت کے ذریعے یا بذریعہ ڈاک ووٹنگ کا حق استعمال کرنے کی اجازت ہوگی۔ اراکین کی سہولت کے لیے، بیلٹ پیپر مذکورہ نوٹس کے ساتھ منسلک ہے اور یہ کمپنی کی ویب سائٹ www.ansarisugar.com.pk پر بھی ڈاؤن لوڈ کے لیے دستیاب ہے۔

A ای ووٹنگ کا طریقہ کار:

- (i) ای ووٹنگ کی سہولت کی تفصیلات کمپنی کے ان اراکین کے ساتھ ای میل کے ذریعے شیئر کی جائیں گی، جن کے پاس 23 ستمبر 2024 کے کاروبار کے اختتام تک کمپنی کے ممبران کے رجسٹر میں اپنے درست CNIC نمبر، سیل نمبر اور ای میل ایڈریس دستیاب ہیں۔



(ii) ویب ایڈریس، لاگ ان کی تفصیلات، ای میل کے ذریعے ممبران کو بتائی جائیں گی۔ سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ (بٹورای وونگ سروس فراہم کنندہ) کے ویب پورٹل سے ایس ایم ایس کے ذریعے اراکین کو سیکورٹی کوڈز کی اطلاع دی جائے گی۔

(iii) ای وونگ کے ذریعے ووٹ ڈالنے کا ارادہ رکھنے والے اراکین کی شناخت الیکٹرانک دستخط یا لاگ ان کے لیے تصدیق کے ذریعے تصدیق کی جائے گی۔

(iv) ای وونگ لائسنس 26 ستمبر 2024 صبح 9:00 بجے سے شروع ہوں گی اور 29 ستمبر 2024 کو شام 5:00 بجے بند ہوں گی۔ ممبران اس مدت میں کسی بھی وقت اپنا ووٹ ڈال سکتے ہیں۔ ایک بار کسی رکن کی جانب سے قرارداد پر ووٹ ڈالنے کے بعد، اسے بعد ازاں تبدیل کرنے کی اجازت نہیں ہوگی۔

B پوسٹ بیلٹ کے ذریعے ووٹ ڈالنے کا طریقہ کار:

اراکین اس بات کو یقینی بنائیں گے کہ کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کی کاپی کے ہمراہ باقاعدہ طریقے سے بھرے ہوئے اور دستخط شدہ بیلٹ پیپر 29 ستمبر 2024 شام 5:00 بجے تک کمپنی کے رجسٹرڈ پتے واقع دیہہ جکیانی، تملک ٹنڈو غلام حیدر، ضلع ٹنڈو محمد خان، حیدرآباد سندھ، پر ڈاک کے ذریعے Chairman@omnigroup.com پر ای میل کر کے اجلاس کے چیئرمین کو ارسال کر دیں۔ بیلٹ پیپر پر دستخط CNIC پر دستخط سے مماثل ہوں گے۔

2 زوم ویڈیو لنک

شیئر ہولڈرز زوم کے ذریعے ویڈیو لنک کی سہولت کے ذریعے بھی AGM میں شرکت کر سکتے ہیں۔ اسی مناسبت سے، وہ شیئر ہولڈرز جو AGM میں شرکت کرنے میں دلچسپی رکھتے ہیں ان سے درخواست کی جاتی ہے کہ وہ 27 ستمبر 2024 کو کاروبار کے اختتام تک درج ذیل لنک پر خود کو رجسٹر کرائیں:

لنک: https://us02web.zoom.us/j/86082312708?pwd=u2YegB5bh8u61cWPj09wHM_iWxQJo1w.1

• CNIC کاپیوں کی جمع آوری:

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی ہدایت کے مطابق رجسٹرڈ شیئر ہولڈرز یا مجاز فرد، ماسوائے نابالغوں اور کارپوریٹ شیئر ہولڈرز، کی کمپیوٹرائزڈ قومی شناختی کارڈ نمبرز (CNIC) جمع کرنا ضروری ہے، کمپنی کی جانب سے SECP کے پاس جمع کرائے گئے سالانہ ریٹرن میں ان کا درج کرنا ضروری ہے۔ لہذا، جن شیئر ہولڈرز نے ابھی تک اپنے CNIC کی کاپیاں فراہم نہیں کی ہیں انہیں مشورہ دیا جاتا ہے کہ وہ جلد از جلد اپنے CNIC کی تصدیق شدہ کاپیاں براہ راست ہمارے خود مختار شیئر رجسٹرار، میسرز C&K مینجمنٹ ایسوسی ایٹس (Pvt) لمیٹڈ M13، پروگریسیو بلازہ سول لائنز کوآرڈرز زد پی آئی ڈی سی بیو ماؤنٹ روڈ کراچی کو فراہم کر دیں۔

• سالانہ آڈٹ شدہ اکاؤنٹس کی بذریعہ ای میل اسی ڈی سی جمع آوری:

SECP کے 2014(1)SRO787(1) تاریخ ستمبر 8، 2014 کی ہدایت کے مطابق اور کمپنی کے 29 ویں سالانہ اجلاس عام بتاریخ 16 اگست 2023 میں شیئر ہولڈرز کی منظوری کے مطابق کمپنی کے آڈٹ شدہ مالیاتی گوشوارے بمعہ سالانہ اجلاس عام کے نوٹس کمپنی کے ممبران کو ای میل اسی ڈی سی کے ذریعے ارسال کرنا تاہم، کمپنی کسی بھی رکن کو ان کے مطالبے پر سالانہ رپورٹ کی بارڈ کاپیاں ان کے رجسٹرڈ پتے پر بلا معاوضہ فراہم کرے گی۔

• سی ڈی سی اکاؤنٹ میں فزیکل شیئرز کی تبدیلی:

ایس ای سی پی نے اپنے خط نمبر CSD/ED/Misc./2016-639-640 مورخہ 26 مارچ 2021 کے تحت تمام لسٹڈ کمپنیوں کو مشورہ دیا ہے کہ وہ کمپنیز ایکٹ 2017 (ایکٹ) کے سیکشن 72 کی دفعات پر عمل کریں، جس کے تحت تمام کمپنیوں سے ایکٹ کے نفاذ کے چار سالوں کے اندر فزیکل فارم میں جاری کردہ حصص کو ایک انٹری فارم میں تبدیل کرنے کی ضرورت ہے۔ اس کے مطابق، فزیکل فوئیو شیئر حقیقت رکھنے والے کمپنی کے تمام شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے شیئرز کو فزیکل فارم سے جلد از جلد ایک انٹری فارم میں تبدیل کرائیں۔ شیئر ہولڈرز سی ڈی ایس اکاؤنٹ کھولنے اور بعد ازاں فزیکل شیئرز کو ایک انٹری فارم میں تبدیل کرنے میں مدد معائنات لیے پی ایس ایکس ممبر، سی ڈی سی شریک، یا سی ڈی سی انویسٹرز اکاؤنٹ سروس پرووائیڈرز سے رابطہ کر سکتے ہیں۔ ایک انٹری فارم میں شیئرز کو برقرار رکھنے کے بہت سے فوائد ہیں، جس میں سی ڈی سی کے ساتھ حصص کی محفوظ توجیل، ڈیپلیٹ شیئرز کے اجراء کیلئے درکار سی کارروائیوں سے گریز وغیرہ شامل ہیں۔ کمپنی کے شیئر ہولڈرز فزیکل شیئرز کو ایک انٹری فارم میں تبدیل کرنے کے لیے شیئر رجسٹرار میسرز سی اینڈ کے مینجمنٹ ایسوسی ایٹس (پرائیویٹ) لمیٹڈ سے رابطہ کر سکتے ہیں۔ ممبران سے درخواست ہے کہ وہ اپنے پتے اور اپنے رابطہ نمبرز میں کسی بھی تبدیلی کے متعلق فوری طور پر ہمارے شیئر رجسٹرار میسرز سی اینڈ کے مینجمنٹ ایسوسی ایٹس (پرائیویٹ) لمیٹڈ 404، فورٹھ فلور، ٹریڈ ٹاور، عبداللہ ہارون روڈ، نزد میٹرو پولیٹن ہوٹل، صدر، کراچی کو مطلع کریں۔

• ممبران سے درخواست کی جاتی ہے کہ وہ اپنے پتوں اور رابطہ نمبرز کی تبدیلی کی صورت میں کمپنی کے شیئر رجسٹرار میسرز C&K مینجمنٹ ایسوسی ایٹس (Pvt) لمیٹڈ M13، پروگریسیو بلازہ سول لائنز کوآرڈرز زد پی آئی ڈی سی بیو ماؤنٹ روڈ کراچی کو فوری طور پر مطلع کریں۔

• برائے مہربانی کمپنی کے ساتھ خط و کتابت میں اپنا فون نمبر درج کریں۔



انصاری شوگر ملز لمیٹڈ

پوسٹل بیلت ہیپر



Ansari Sugar Mills

برائے پیر 30 ستمبر 2024 صبح 11:30 بجے کمپنی کے رجسٹرڈ آفس میں دیہہ جکسیانی، تملک ٹنڈو غلام حیدر، ضلع ٹنڈو محمد خان، حیدرآباد سندھ میں منعقد ہونے والی سالانہ اجلاس عام میں خصوصی امور

کے لیے پوسٹ کے ذریعے دوئنگ ٹیلی فون: +92-35205532 ویب سائٹ: www.ansarisugar.com.pk

فولیو/سی ڈی ایس اکاؤنٹ نمبر	
شیر ہولڈر/پراکسی ہولڈر کا نام	
رجسٹرڈ پتہ	
حالیہ حصص کی تعداد	
CNIC / پاسپورٹ نمبر (غیر ملکی کی صورت میں) (کاپی منسلک کی جائے گی)	
اضافی معلومات اور انکلوژرز (ہاڈی کارپوریٹ، کارپوریشن، اور وفاقی حکومت کے نمائندے کی صورت میں)	
مجاز دستخط کنندہ کا نام	
مجاز دستخط کنندہ کا CNIC / پاسپورٹ نمبر (غیر ملکی کی صورت میں) (نقل منسلک کرنا ہے)	

ایجنڈا آئٹم نمبر 1 کی قرارداد

کمپنی کارپوریٹ پتہ تبدیل کرنے کیلئے پرائیویٹ: دیہہ جکسیانی، تملک ٹنڈو غلام حیدر، ضلع ٹنڈو محمد خان، حیدرآباد سندھ، نیپا پتہ: CL-5/4، اسٹیٹ لائف بلڈنگ نمبر 10، عبداللہ بارون روڈ، کراچی، سندھ

ایجنڈا آئٹم نمبر 2 کی قرارداد

دو نوں کمپنیوں کے مابین طے شدہ قیمت پر پاک استھول (پرائیویٹ) لمیٹڈ کو ملیس کی فروخت کرنے کیلئے کمپنی کو منظوری اور اجازت دینا۔

ہدایات برائے پول

1 براہ کرم متعلقہ باکس پر (✓) نشان لگا کر اپنے ووٹ کی نشاندہی کریں۔

2 اگر دو نوں خانوں کو (✓) کے بطور نشان زد کیا گیا، تو آپ کے پول کو "مسٹر د" سمجھا جائے گا۔

میں/ہم مندرجہ بالا قرارداد کے سلسلے میں اپنا ووٹ بیلت کے ذریعے استعمال کرتے ہیں اور ذیل میں مناسب باکس میں ٹک (✓) کا نشان لگا کر قرارداد پر میری/اپنی رضامندی یا اختلاف رائے

پہنچاتے ہیں۔

خصوصی قرارداد	میں/ہم قرارداد کی منظوری دیتے ہیں (منظور)	میں/ہم قرارداد سے اختلاف کرتے ہیں (نامنظور)
ایجنڈا آئٹم نمبر 1 کی قرارداد		
ایجنڈا آئٹم نمبر 2 کی قرارداد		

1 باقاعدہ طریقے سے بھرے بیلت ہیپر کو کمپنی کے رجسٹرڈ پتے دیہہ جکسیانی، تملک ٹنڈو غلام حیدر، ضلع ٹنڈو محمد خان، حیدرآباد سندھ ڈاک کے ذریعے یا Chairman@omnigroup.com.pk پر ای میل کر کے پرا جلاس کے چیئر مین کو ارسال کریں۔

2 CNIC / پاسپورٹ کی کاپی (غیر ملکی کی صورت میں) پوسٹل فارم کے ساتھ منسلک ہو۔

3 بیلت ہیپر کو 29 ستمبر 2024 تک یا اس سے قبل کاروباری اوقات میں چیئر مین تک پہنچ جائے۔ اس تاریخ کے بعد موصول ہونے والا کوئی بھی پوسٹل بیلت دوئنگ کیلئے زیر غور نہیں آئے گا۔

4 بیلت ہیپر پر دستخط CNIC / پاسپورٹ پر دستخط سے مماثل ہوں۔ (غیر ملکی کی صورت میں)۔

5 نامکمل، غیر دستخط شدہ، غلط، پھٹا ہوا، مسخ شدہ، زیادہ لکھا ہوا پول ہیپر مسٹر د کر دیا جائے گا۔

6 کسی ہاڈی کارپوریٹ، کارپوریشن یا وفاقی حکومت کے نمائندے کی صورت میں، کمپنیز ایکٹ 2017 کے سیکشن 138 یا 139 کے مطابق جیسا کہ قابل اطلاق بیلت ہیپر فارم کے ساتھ کسی مجاز شخص

کے CNIC کی کاپی، بورڈ کی قرارداد کی تصدیق شدہ کاپی، /پاور آف اٹارنی، /اتھارٹیٹیٹڈ وغیرہ ہونا ضروری ہے۔ غیر ملکی ہاڈی کارپوریٹ وغیرہ کی صورت میں، تمام دستاویزات کونسل جنرل آف

پاکستان سے تصدیق شدہ ہونا ضروری ہے جو ممبر پر دائرہ اختیار رکھتا ہو۔

7 بیلت ہیپر فارم کمپنی کی ویب سائٹ www.ansarisugar.com.pk پر بھی آویزاں ہے۔ اراکین ویب سائٹ سے بیلت ہیپر ڈاؤن لوڈ کر سکتے ہیں یا اخبارات میں شائع ہونے والی

اصل/فونو کاپی استعمال کر سکتے ہیں۔

شیر ہولڈر/پراکسی ہولڈر دستخط/مجاز دستخط کنندہ

(کارپوریٹ ادارے کی صورت میں، براہ کرم کمپنی کا مہر لگائیں)

تاریخ -----



VISION & MISSION STATEMENT

VISION

To make a product of International Standard acceptable as a brand in the world market. To explore business opportunities available under the World Trade Organization regime.

MISSION

- To sustain contribution to the National Economy by producing the cost effective product.
- To ensure professionalism and healthy working environment .
- To create a reliable product through adoption of latest technology/ advancement.
- To promote research & development and provide technical know how to growers for improvement of sugar cane yield/recovery.



DIRECTOR'S REPORT

We are pleased to present 34th Annual report of Ansari Sugar Mills Ltd (“The Company”) along with the audited accounts and auditor’s report for the year ended September 30, 2023.

The summarized results are set out below:

	Pakistani Rupees (PKR)	
	2023	2022
Loss before taxation	(819,575,373)	(400,008,374)
Taxation	116,339,193	108,089,205
Loss after taxation	(703,236,180)	(291,919,169)
Loss per share	(12.53)	(5.20)

Delay in issuance / submission of Audited Accounts for FY2023:

An enquiry against the Company’s sponsors / directors and its shareholders along with other group companies had been initiated by the Federal Investigation Agency (FIA). Further, the matter was transferred to National Accountability Bureau (NAB) and we understand the Financial Institutions had blocked all Company bank accounts on a notice of NAB under section 23 of National Accountability Ordinance 1999 (NAO) on allegation of illicit transactions. However, it is pertinent to mention here that the action of blocking of account was not endorsed by Court of competent jurisdiction.

As a consequence, Company’s access to available funds / legitimate sales proceeds and banking facilities were denied on the unjustified and arbitrary instructions of NAB, without realizing the consequences. Resultantly, the Company was forced to default on its dues including payments of banks’ instalments, salaries, growers’ and vendors’, etc.

It is pertinent to note that the JIT, constituted under orders of the Supreme Court of Pakistan thoroughly investigated the entire Group Accounts maintained with all banks and that no charge has been established till yet. Despite all the ordeal no case have been filled against the Company.

Henceforth, after the amendment of NAB Ordinance, the bank accounts of the Company have been unfrozen and we are in coordination with all the stakeholders owing debt and other liabilities to move forward amicably.

It is pertinent to mention here that besides all the pressures of liquidity crises, risk and uncertain business environment, the Company took the initiative to carry on its business activities in extreme difficult situation with all possible efforts, making the necessary financial arrangements on personal basis by the sponsoring directors to ensure the going concern of the Company and by the collective efforts of the entire team of Ansari Sugar Mills Limited, we are through of the precarious conditions successfully by the grace of Almighty (Alhamdulillah).

Performance Review

The crushing season 2022-23 started in the month of November. The provincial government announced price of cane at PKR 302 per 40 kg for the season 2022-23.



		2022-23	2021-22
Crushing duration	Days	86	84
Sugarcane crushed	M.Tons	74,345	137,912
Sugar production	M.Tons	6,692.75	13,392.5
Sugar recovery	%	9.085	9.880
Molasses production	M.Tons	4,093	6,984
Molasses recovery	%	5.545	5.1

Audited accounts shows that company earned a gross profit of PKR 193.552 million during the year as compared to gross profit PKR 249.73 million in the preceding year.

Corporate Social Responsibility

Since the sugarcane growers are considered to be the important stakeholders, we are committed to facilitate the local farmers of the area. In order to support the farmer of the area the company has given them substantial amount as grower's loan and advances particularly for fertilizer, seeds and other inputs.

Auditors

The auditor, Rao & Company Chartered Accountants stand retired and are eligible for re-appointment for the financial year 2023-24. The audit committee has recommended the appointment of the said auditors.

Statement on Corporate and Financial Reporting Framework

1. The financial statements, prepared by the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
2. Proper books of account of the Company have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of the financial statements.
4. Changes, if any have been adequately disclosed and accounting estimates are based on reasonable and prudent judgment.
5. International Accounting Standards, as applicable in Pakistan, have been followed in preparation of the financial statements and departure there from if any, has been adequately disclosed.
6. The system of internal control is sound in design and has been effectively implemented and monitored regularly.
7. There are no significant doubts upon the Company's ability to continue as a going concern.
8. There has been no material departure from the best practices of the corporate governance, as detailed in the listing regulations.
9. Key operating and financial data for last six years in summarized form is annexed.
10. Information about the taxes and levies is given in the notes to the financial statements.
11. The pattern of shareholding and additional information regarding pattern of shareholding given.

Meeting of Board of Directors

During the year, six meeting of the Board of Directors were held. Attendance was as under.

S. No	Name of Directors	Meeting attended
1.	Khawaja Aleem Majid	6
2.	Aurangzeb Khan	6
3.	Malik Waheed	6
4.	Iqbal Buledi	6
5.	Anver Majid	6



Future prospects:

Diversifying Revenue Streams:

The Company is focused to attain better energy efficiency mix and planning Balancing, Modernization and Replacement (BMR) accordingly, which will improve the revenue streams through sale of by-products of the company i.e. bagasse and molasses.

Sugarcane Cultivation Prospects:

The Company recognizes that the growth and sustainability in the sugar industry is also dependent on access to a growing volume of sugar cane, particularly from within existing areas of supply. The key here lies in long-term engagement with farmers, demonstrating the use of superior cane varieties (higher yield and hence higher income), timely growing support (provision of seeds, fertilizers and farming inputs) so as to convince them to plant more cane to ensure increased productivity and quality.

Government Policy:

Ansari Sugar Mills foresee bumper crushing of sugarcane as evidenced by increased production of sugarcane over last 2 to 3 years. As the Federal government regulates the export of sugar, we anticipate that the supply and demand balance will improve over the next year, and that domestic production will meet the country's sugar demands while creating an export surplus on sugar and ethanol. Thus, timely export permission from Federal government would be of critical importance as it would not only help industry to clear the surplus on improved price but would also stabilize the local market as well. The Government is also contemplating on allowing export as a permanent feature rather than allocating on quota basis which will allow us to fetch good prices on our stocks in international market.

Working Capital:

We are in advanced level of negotiations with our bankers to restructure our debts which will improve our position on retained stocks, refraining ourselves into forced sales and allowing us to fetch better price during off-season as currently due to lack of working capital lines, almost 100% of our stock is sold during the crushing season to meet the working capital.

In the background of preceding paras we anticipate a turnaround of the sugar industry and accordingly have mobilized all the resources at its disposal to generate huge volumes during the ongoing and upcoming seasons over the next 5 years.

The season in terms of cane supply, recovery and plant capacity utilization is extremely favorable. Ansari Sugar Mills being a large plant will be able to procure and crush maximum cane in the next season.

Acknowledgement

We express our sincerest appreciation to our employees for their dedication and hard work and to our clients, business partners and shareholders for the support and confidence. The board also take this opportunity to express its gratitude to all the employees of Ansari Sugar Mill Limited for their untiring efforts.

We would like to mention here that besides all the pressures and uncertain business environment, the company took the initiative to carry on its business activities under extreme difficult situation with full support from the sponsoring directors to ensure the going concern of the company.

On behalf of the Board of Directors

Khawaja Anver Majid

Chief Executive Officer

Karachi: 5 September, 2024



ڈائریکٹرز کی رپورٹ

ہمیں انصاری شوگر ملز لمیٹڈ (کمپنی) کی ۳۴ ویں سالانہ رپورٹ پیش کرتے ہوئے خوشی ہے بشمول آڈیٹڈ اکاؤنٹ آڈیٹرز رپورٹ برائے اختتامی سال 30 ستمبر 2023۔
مختصر نتائج درج ذیل ہیں۔

2023	2022	پاکستانی روپے (PKR)
(819,575,373)	(400,008,374)	منافع (نقصان) قبل از ٹیکس
116,339,193	108,089,205	تخمینہ ٹیکس
(703,236,180)	(291,919,169)	منافع بعد از تخمینہ ٹیکس
(12.53)	(5.20)	آمدنی فی شیئر

وجہ تاخیر اشاعت و اجراء آڈیٹڈ اکاؤنٹ 2023:

کمپنی کے ڈائریکٹرز، شیئر ہولڈرز اور دیگر گروپ آف کمینیز کے خلاف فیڈرل انویسٹمنٹ ایجنسی کی جانب سے ایک انکوائری کا آغاز ہوا مزید یہ کہ یہ انکوائری نیشنل اکاؤنٹ ہیلٹی NAB کے حوالے کر دی گئی اور ہمیں معلوم ہوا کہ مالیاتی اداروں نے کمپنی کے بینک اکاؤنٹ نیب نوٹس برائے سیکشن ۲۳ نیشنل اکاؤنٹ ہیلٹی آرڈیننس ۱۹۹۹ (NAO) کے تحت بلاک کر دیئے۔ واضح رہے کہ اکاؤنٹ بلاکنگ کا عمل کسی ماتحت عدالت کے فیصلے کے تحت نہیں کیا گیا۔

نتیجتاً کمپنی اپنے موجودہ فنڈ، جائز فروخت کے حصول، مالیاتی امداد سے لاقانونی طور پر نیب کے احکامات کے تحت بغیر کسی تخمینے کے محروم رہی۔ اس صورتحال کے نتیجے میں کمپنی مجبوراً اپنی ادائیگیاں جیسے کہ تنخواہوں، بینک کی انسٹلمینٹ کا شکار اور گاہکوں کی عدم ادائیگیوں کی وجہ سے ڈیفالٹ کر گئی۔ یہاں یہ بات قابل ذکر ہے کہ مسکورہ بالا (JIT) جے آئی ٹی سپریم کورٹ آف پاکستان کے تحت نافذ عمل ہونے کے بعد مکمل جائزہ لینے کے باوجود کسی بھی طرح کے چارج لاگو کرنے سے آج تک قاصر ہے اور تمام اقدامات کے باوجود کمپنی کے خلاف کوئی بھی مقدمہ درج نہ ہو سکا۔ بالآخر نیب آرڈیننس کی ترمیم کے بعد تمام بینک اکاؤنٹ بہال کر دیئے گئے لہذا ہم بتدریج آگے بڑھتے ہوئے تمام اسٹیک ہولڈرز سے ادائیگیوں کے سلسلے میں رابطے میں ہیں۔ یہاں یہ واضح کرنا ہے ضروری ہے کہ تمام مالیاتی کرائس، دباؤ اور غیر یقینی کاروباری صورت حال کے باوجود کمپنی نے سخت مشکل حالات میں ہر ممکنہ اقدام اٹھاتے ہوئے بشمول ڈائریکٹرز کے ذاتی مالیاتی انتظامات کو برد کار لاتے ہوئے اور Going Concern کو مد نظر رکھتے ہوئے انصاری شوگر ملز کی پوری ٹیم کے ساتھ مل کر جدوجہد جاری رکھنے کا فیصلہ کیا اور بالآخر اللہ کے فضل و کرم سے ہم اس غیر یقینی صورت حال سے باہر آچکے ہیں۔ (الحمد للہ)

جائزہ برائے کارکردگی:

کرشنگ سیزن 2022-23 کا آغاز معمول کی مشق کے مطابق دسمبر کے مہینے میں ہوا صوبائی گورنمنٹ نے 302 پر 40 کلوگرام سیزن 2022-23 جاری کی۔



اس عملی کارکردگی کی خلاصہ درج ذیل ہے۔

2021-22	2022-23		
84	86	ایام	کریٹنگ کا دورانیہ
137,912	74,345	میٹرک ٹن	گنا کرش کیا گیا
13,392.5	6,692.75	میٹرک ٹن	چینی کی پیداوار
9.880	9.085	%	شوگر برآمد
6,984	4,093	میٹرک ٹن	شیرے کی پیداوار
5.1	5.545	%	شیرے کی برآمدگی

آڈیٹڈ اکاؤنٹس واضح کرتے ہیں کہ کمپنی نے PKR 193.52 ملین کا گراس پرافٹ کمایا جو کہ گذشتہ سال PKR 249.73 ملین تھا۔

اجتماعی سماجی ذمہ داری

کیونکہ گنے کی کاشتکار بحیثیت کاشتکارا ہم متعلقین سمجھے جاتے ہیں اس لئے آپ کی کمپنی علاقے کے مقامی کسانوں کو سہولیات دینے کی پابند ہے علاقے کے کسانوں کی مدد کے لئے خصوصاً کھاد، بیج اور دیگر اخراجات کی مد میں کاشتکاروں کو خرچہ اور ایڈوائس کی مد میں کمپنی ایک خطیر رقم ادا کر چکی ہے۔
آڈیٹرز۔

Rao & Company چارٹرڈ اکاؤنٹنٹس مستعفی کئے جاتے ہیں اور اگلے مالی سال 2023-24 کے لئے دوبارہ تقرری کے اہل ہیں۔ آڈٹ کمیٹی نے Ms. Rao & Company کو اگلے آڈٹ کی تجویز دی ہے۔

بیان بابت کمپنی قواعد اور خاکہ مالی رپورٹ:

- کمپنی کی جانب سے تیار کردہ مالی تفصیلات شفافیت ظاہر کرتی ہیں اپنے معاملات، اس کے انتظامی نتائج، کیش فلو اور ایکٹیویٹی میں تبدیلی کی دستاویزات شامل ہیں۔
- باقاعدہ کمپنی کی بک آف اکاؤنٹ مرتب کی گئی۔
- مالی تفصیلات کی تیاری کے لئے مستقل طور پر مناسب حسابی حکمت عملی اپنائی گئی۔
- اگر کوئی تبدیلی ہو تو اسے مناسب طور پر ظاہر کیا جاتا ہے اور حسابی تخمینہ مناسب اور محتاط فیصلے کی بنیاد پر ہوتا ہے۔
- بین الاقوامی اکاؤنٹنگ اسٹینڈرڈ جیسا کہ پاکستان میں نافذ ہے جس کا اطلاق فنانشل اسٹیٹمنٹ کی تیاری میں کیا گیا اور کسی ڈپارچر کی صورت میں اسے حتی الامکان ظاہر کیا گیا۔
- اندرونی کنٹرول کا نظام معیار کے مطابق ہے جس پر موثر طریقے سے عملدرآمد کیا گیا ہے جس کی باقاعدہ نگرانی کی جاتی ہے۔
- رواں معاملات جاری رکھنے میں کمپنی کی اہلیت پر کوئی شبہات نہیں ہیں۔
- انتظامی امور پر بہتر عملدرآمد کے حوالے سے کوئی میٹرل ڈپارچر نہیں رہے۔ جیسا کہ قواعد و ضوابط کی فہرست میں بیان کیا گیا ہے۔
- گزشتہ چھ سال کے کلیدی کام اور مالی اعداد و شمار مختصر شکل میں منسلک ہیں۔
- ٹیکسوں اور لیویز سے متعلق دی گئی معلومات فنانشل اسٹیٹمنٹ کے نوٹس میں دی گئی ہیں۔
- شیئر ہولڈنگ کا نمونہ اور اس نمونے سے متعلق اضافی معلومات مہیا کی جاتی ہے۔



بورڈ آف ڈائریکٹرز کی میٹنگ:

اس سال کے دوران، بورڈ آف ڈائریکٹرز کی 6 میٹنگ منعقد ہوئیں۔ حاضری درج ذیل ہے۔

نمبر شمار	نام ڈائریکٹر	میٹنگ کی حاضری
1	خواجہ علیم مجید	6
2	اورنگزیب خان	6
3	ملک وحید	6
4	اقبال بلیدی	6
5	انور مجید	6

مستقبل کا لائحہ عمل:

مختلف آمدن کے دھارے:

کمپنی نے بہتر انرجی، ایشیائی مگس اور پلاننگ، ہیلسنگ، موڈرنائزیشن اور ریپلیسمنٹ (BMR) کو مد نظر رکھا جو کہ آمدن کے دھارے کو بہتر بنانے کا مثلاً بگاس، مولاسیز وغیرہ۔

گنے کی کاشت کا ویزن:

کمپنی یہ جان چکی ہے کہ گروتھ اور استحکام شکر کین کے کرشنگ حجم کی پہنچ پر منحصر ہے اس میں خاص طور پر ان علاقوں کی پہنچ شامل ہے جہاں گنا کاشت ہوتا ہے یہاں کچی کسانوں سے دیرپا، تعلقات پر منحصر ہے گنے کی ورائٹی کو واضح کرتے ہوئے (زیادہ پیداوار اور زیادہ منافع) بروقت پیداواری مدد بخ کی فراہمی، کھاد اور ذریعہ امداد شامل ہیں تاکہ ان کو زیادہ اور بہتر پیداوار کی طرف مائل کیا جاسکے۔

حکومتی پالیسی:

انصاری شوگر ملز بمپر کین کرشنگ کی امید رکھتی ہے جیسا کہ پچھلے دو سے تین سالوں کی پروڈکشن سے ظاہر ہے۔ جیسا کہ فیڈرل گورنمنٹ ایکسپورٹ کوریگیولیٹ رکھتی ہے ہم امید رکھتے ہیں، سپلائی اور ڈیمانڈ کے بیلنس کے تحت اگلے سال مزید بہتری آئیگی اور مقامی پیداوار ملک کے پیداواری ضرورت کو پورا کرنے کے ساتھ چینی اور ایتھونال میں بہتات بھی لائی گئی لہذا بروقت وفاقی گورنمنٹ کی طرف سے برآمد کی اجازت، بہت اہمیت کی حامل ہے جو کہ نہ صرف بہتر قیمت پر بہتات کی ذمہ دار ہے بلکہ مقامی مارکیٹ کو یکساں رکھنے میں معاون ہے۔ گورنمنٹ پر عزم ہے کہ ایکسپورٹ کو محظ کوٹے تک محدود رکھنے کے بجائے باقاعدہ طرز عمل قرار دے دیگی تاکہ اچھی قیمت میں غیر مقامی منڈیوں تک رسائی کی جاسکے۔

ورکنگ کیپٹل:

ہم اپنے بینکرز کے ساتھ مذاکرات کے اگلے مراحل میں داخل ہو چکے ہیں تاکہ ہم اپنے قرضے کو ری اسٹرکچر کروا سکیں تاکہ ہم خود کو جبری فروخت سے بچائیں اور آف سیزن میں بھی بہترین پرائز حاصل کریں برعکس اس کے کہ جیسے ابھی ہم سیزن میں بھی پورا مال فروخت کر دیتے ہیں تاکہ ورکنگ کیپٹل حاصل کر سکیں۔

مذکورہ معلومات کے تحت آپ کی مینجمنٹ پر امید ہے کہ شکر انڈسٹری کے حالات بدلنے کو ہیں لہذا ہم نے اپنے تمام ذرائع کو ان کی بساط کے



مطابق منظم کرنا شروع کر دیا ہے تاکہ آنے والے 5 سیزن میں بھرپور پیداوار حاصل کی جاسکے مذکورہ سیزن کین سپلائی، ریکوری اور پلانٹ کے مقدار کے استعمال سے بہت سود مند ہے انصاری شکر ملز ایک بڑے پلانٹ کی صورت میں فائدہ اٹھاتے ہوئے آنے والے سیزن میں زیادہ سے زیادہ گنے کی خرید اور کرشنگ انجام دے گی۔

اعتراف:

ہم اپنے ملازمین کی جانب سے لگن اور انتھک محنت کے لئے اور اپنے کلائنٹ، بزنس پارٹنرز اور شیئر ہولڈرز کی حمایت اور اعتماد کے لئے اپنی مخلصانہ حوصلہ افزائی کا اظہار کرتے ہیں۔ بورڈ اس موقع پر انصاری شوگر مل لمیٹڈ کے تمام ملازمین کی انتھک کوششوں پر بے حد مشکور ہے۔ یہاں پر یہ بات بھی کرنا ضروری سمجھتے ہیں کہ بے بناہ دباؤ اور غیر یقینی کاروباری ماحول کے باوجود کمپنی کے ڈائریکٹرز نے Going Concern کو مد نظر رکھتے ہوئے کمپنی کو مشکل حالات سے نکالا۔

منجانب بورڈ آف ڈائریکٹرز

خواجہ انور مجید

چیف ایگزیکٹو آفیسر

کراچی

5 ستمبر 2024



STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in Regulation No. 5.19. of rule book of the Pakistan Stock Exchanges for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The company has applied the principles contained in the CCG in the following manner:

1. The company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes:

<u>CATEGORY</u>	<u>NAME</u>
Non-Executive Independent Directors	Mr. Noor Muhammad
Non-Executive Directors	Mr. Khawaja Aleem Majid
	Mr. Dawoodi Morkas
	Mr. Iqbal Bulidi
	Mr. Waheed Ahmed
Executive Directors	Mr. Khawaja Anver Majid
	Mr. Aurangzeb Khan

The Independent Directors meets the criteria of independence under clause I (b) of the CCG.

2. 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).
3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of stock exchange, has been declared as a defaulter by that stock exchange.
4. No causal vacancy occurred during the year.
5. 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.
6. 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.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executive and non-executive directors, have been taken by the Board/shareholders.
8. 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 and the Board meet at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.



9. One director had already completed director training program, remaining directors will complete director training ensuing year.
10. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
11. The financial statements of the company were duly endorsed by CEO and CFO before approval of the Board.
12. The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the pattern of shareholding.
13. The company has complied with all the corporate and financial reporting requirements of the CCG.
14. The Board has formed an Audit Committee. It comprises of three members and all of them are non-executives directors including the chairman of the committee.
15. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
16. The Board has formed an HR and Remuneration Committee. It comprises three members of whom two are non-executive directors including the chairman of the committee.
17. The Board has set-up an effective internal audit function which is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the company.
18. 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 (ICAP), that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of ethics as adopted by the ICAP.
19. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
20. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange(s).
21. Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).
22. We confirm that all other material principles enshrined in the CCG have been complied.

For and on behalf of the **BoD of Ansari Sugar Mills Limited**


Aurangzeb Khan
Chairman



THE COMPANIES ACT, 2017
THE COMPANIES (GENERAL PROVISIONS AND FORMS)
REGULATIONS, 2018 [Section 227(2)(f)]
PATTERN OF SHAREHOLDING

FORM 34

1. Incorporation Number 0019909
2. Name of the Company ANSARI SUGAR MILLS LIMITED
3. Pattern of holding of the shares held by the Shareholders as at 3 0 0 9 2 0 2 3

4.	Number of Shareholders	Shareholdings			Total Shares held	
	1033	1	-	100	Shares	35,945
	580	101	-	500	Shares	191,341
	279	501	-	1,000	Shares	224,838
	426	1,001	-	5,000	Shares	986,173
	76	5,001	-	10,000	Shares	540,519
	38	10,001	-	15,000	Shares	467,589
	15	15,001	-	20,000	Shares	268,295
	8	20,001	-	25,000	Shares	179,269
	3	25,001	-	30,000	Shares	82,275
	2	30,001	-	35,000	Shares	64,050
	3	35,001	-	40,000	Shares	112,063
	2	40,001	-	45,000	Shares	82,800
	4	45,001	-	50,000	Shares	190,000
	1	50,001	-	60,000	Shares	55,165
	5	60,001	-	70,000	Shares	337,699
	1	70,001	-	80,000	Shares	72,500
	1	80,001	-	90,000	Shares	85,000
	2	90,001	-	100,000	Shares	194,250
	4	100,001	-	200,000	Shares	800,000
	1	200,001	-	260,000	Shares	257,600
	1	260,001	-	300,000	Shares	279,400
	1	300,001	-	350,000	Shares	350,000
	1	350,001	-	450,000	Shares	401,500
	1	450,001	-	800,000	Shares	720,220
	1	800,001	-	900,000	Shares	892,000
	1	900,001	-	1,000,000	Shares	929,800
	1	1,000,001	-	1,300,000	Shares	1,238,371
	1	1,300,001	-	1,400,000	Shares	1,301,800
	1	1,400,001	-	2,000,000	Shares	1,917,000
	1	2,000,001	-	3,000,000	Shares	2,062,285
	2	3,000,001	-	13,000,000	Shares	24,754,980
	1	13,000,001	-	16,100,000	Shares	16,061,828
	2,497	TOTAL				56,136,555



THE COMPANIES ACT, 2017
THE COMPANIES (GENERAL PROVISIONS AND FORMS)
REGULATIONS, 2018 [Section 227(2)(f)]
PATTERN OF SHAREHOLDING

FORM 34

5.	Categories of Shareholders	Shares held	Percentage
5.1	Directors, Chief Executive Officer, their spouses and minor children	29,475,941	52.51%
5.2	Associated Companies, undertakings and related parties	-	0.00%
5.3	NIT and ICP Banks, Development Financial	109,790	0.20%
5.4	Institutions, Non-Banking Finance Companies	36,150	0.06%
5.5	Insurance Companies	11,265	0.02%
5.6	Modarabas and Mutual Funds	800	0.00%
5.7	Shareholders holding 5%	40,816,808	72.71%
5.8	<u>General Public</u>		
	a. Local	6,577,603	11.72%
	b. Foreign	-	0.00%
5.9	Others (Joint Stock Companies, Charitable Trusts, Wakf, & Government	19,925,006	35.49%



**PATTERN OF SHAREHOLDING UNDER REGULATION 37(XX)(I) OF
THE CODE OF CORPORATE GOVERNANCE
AS AT SEPTEMBER 30, 2023**

Categories of Shareholders	Number of Shareholders	Number of Shares held	% of Shareholding
1. Associated Companies	-	-	0.00%
2. NIT and ICP	2	109,790	0.20%
3. Directors, CEO, their Spouses & Minor Children	9	29,475,941	52.51%
4. Executives	-	-	0.00%
5. Public Sector Companies & Corporations	26	19,925,006	35.49%
6. Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Modarbas & Mutual Funds	8	48,215	0.09%
7. Individuals	2,452	6,577,603	11.72%
TOTAL	2,497	56,136,555	100.00%

DETAILS OF CATAGORIES OF SHAREHOLDERS

Names	Number of Shareholders	Number of Shares held	% of Shareholding
1. <u>Associated Companies</u>	-	-	-
2. <u>NIT and ICP</u>			
2.1 INVESTMENT CORPORATION OF PAKISTAN	1	68,990	0.12%
2.3 NATIONAL BANK OF PAKISTAN TRUSTEE DEPARTMENT	1	40,800	0.07%
	2	109,790	0.20%
3. <u>Directors, CEO, their Spouses & Minor Children</u>			
<u>Directors and CEO</u>			
3.1 KHAWAJA ANVER MAJID	2	28,753,571	51.22%
3.2 KHAWAJA ALEEM MAJID	1	1,000	0.00%
3.3 IQBAL BULEDI	1	500	0.00%
3.4 RASHID AHMED KHAN	1	500	0.00%
3.5 AURANGZEB KHAN	1	50	0.00%
3.6 DAWOOD MORKAS	1	50	0.00%
3.7 WAHEED AHMED	1	50	0.00%
	8	28,755,721	51.22%
<u>Spouses of Directors and CEO</u>	-	-	-
<u>Children of Directors and CEO</u>			
KHAWAJA ALI KAMAL MAJID	1	720,220	1.28%
	9	29,475,941	52.51%



**PATTERN OF SHAREHOLDING UNDER REGULATION 37(XX)(I) OF
THE CODE OF CORPORATE GOVERNANCE
AS AT SEPTEMBER 30, 2023**

SHAREHOLDERS HOLDING 5% OR MORE OF THE VOTING SHARES/ INTERESTS IN THE COMPANY

	Names	Number of Shareholders	Number of Shares held	% of Shareholding
1	KHAWAJA ANVER MAJID	2	28,753,571	51.22%
2	AKD SECURITIES LIMITED	1	12,063,237	21.49%

**DETAILS OF TRADING IN THE SHARES OF THE COMPANY BY DIRECTORS, CEO, CFO,
COMPANY SECRETARY, THEIR SPOUSES AND MINOR CHILDREN**



STATEMENT OF ETHICS & BUSINESS PRACTICE

Ansari Sugar Mills Limited was established with an aim of producing high quality sugar for its customer and meeting the expectation of its stakeholders. We ensure transparency and professionalism at every step of our dealings, and look after the interests of our stakeholders.

This statement of the company is based on the following principles:

Quality of Product

- We strive to produce the high quality of sugar for our customers.
- We believe in technology and innovation and strive to implement innovative ideas in the Company.
- We maintain all relevant technical and professional standards to be compatible with the requirements of the trade.

Dealing with Employees

- We recognize and reward employees for their performance.
- We measure the performance of our employees by their ability to meet their objectives, their conduct at work, dealing with others both within and outside the organization, their contribution towards training people and succession planning, and innovation at their work place.
- We provide a congenial work atmosphere where all employees are treated with respect and dignity and work as a team for a common goal.
- Unless specifically mentioned, all rules and regulation prevailing in the company apply to all levels of employees of the company.

Responsibility to Society / Interested Parties

- We have an important role towards our society, shareholders, creditors, the Government and public at large. We are objective and transparent in our dealings with all our stakeholders so as to meet the expectations of the people who rely on us.
- We meet all our obligations and ensure timely compliance.

Financial Reporting and Internal Control

- To meet the expectations of the wide spectrum of society and Government agencies, we have implemented an effective, transparent and fair system of financial reporting and internal control.
- To ensure efficient and effective utilization of Company's resources, we have placed financial planning and reporting at the heart of management practice at this not only serves to facilitate viable and timely decisions, but also makes Company dealings more transparent and objective oriented.
- We have a sound and efficient Internal Audit department to enhance the reliability of the financial information and data generated by the Company. It also helps building the confidence of our external stakeholders.

Purchase of Goods and Timely Payment

- To ensure cost effectiveness, we only purchase goods and services that meet our specifications and are priced appropriately. To gauge the market conditions and availability of substitute or services, we obtain quotations from various sources before finalizing our decision.



- We ensure timely payments, which over the year, has built trust and reliability amongst our suppliers.

Conflict of Interest

- Activities and involvements of the directors and employees of the Company in no way conflict with the interest of the Company. All acts and decisions of the management are made in the interest of the Company.

Observance to laws of the Country

- The Company fulfills all statutory requirements of the Government and follows all applicable laws of the country.

Environmental Protection

- The Company uses all means to protect the environment and to ensure health and safety of the work force. We have, and will continue to attain, necessary technology to ensure protection of the environment and well being of the people living in adjoining areas of our plant.

Objectives of the Company

- We at Ansari Sugar Mills Limited, recognize the need of working at the highest standards to meet the expectations of all our stakeholders.
- We conduct the business of the Company with integrity and supply only quality and credible information.
- We produce and supply goods and information with great care and competence, to ensure that customers and creditors receive the best quality and care.
- We respect the confidentiality of the information acquired during the course of our work with our business associates, and refrain from acting in any manner which could discredit the Company.
- Our organization is free of all vested interests that could affect its integrity, objectivity and independence.



SIX YEARS REVIEW AT A GLANCE

FINANCIAL RESULTS	2023	2022	2021	2020	2019	2018
	Rupees '000					
Sales	664,347	967,206	405,166	175,564	438,114	1,677,306
Gross profit	193,552	249,733	129,930	56,998	63,085	448,228
Operating profits	134,008	191,837	72,689	7,693	10,442	275,873
(Loss) before taxation	(819,575)	(400,008)	(348,511)	(599,788)	(597,101)	(122,949)
(Loss) after taxation	(703,236)	(291,919)	(256,561)	(437,469)	(694,412)	(203,078)
Accumulated (loss)	(2,589,216)	(1,906,108)	(1,636,696)	(1,403,548)	(990,307)	(313,217)
OPERATING RESULTS	2023	2022	2021	2020	2019	2018
Season started	27-11-2022	21-12-2021	11-11-2021	15-12-2019	19-12-2018	29-11-2017
Season closed	20-2-2023	14-3-2022	22-2-2021	22-2-2020	07-3-2019	25-04-2018
Days Worked	86	84	104	74	79	148
Sugar crushed (tonnes)	74,345	137,912	61,472	31,341	74,166	400,039
Sugar Recovery (%)	9.08%	9.88%	9.30%	9.80%	9.79%	11.20%
Sugar Produced (tonnes)	6,693	13,393	6,313	3,001	7,260	44,804
Molasses Recovery (%)	5.55%	5.10%	4.84%	4.43%	6.00%	4.76%
Molasses produced (tonnes)	4,092	6,984	3,130	1,369	4,450	19,037
Financial Position	2023	2022	2021	2020	2019	2018
	Rupees '000					
ASSETS						
Non Current Assets	4,171,437	4,215,061	4,264,109	4,311,512	4,359,938	4,629,141
Current Assets	5,165,979	5,025,591	4,721,294	4,495,992	4,483,502	4,903,165
Total Assets	9,337,416	9,240,652	8,985,403	8,807,504	8,843,440	9,532,306
EQUITY AND LIABILITIES						
Issued, subscribed and paid-up capital	561,366	561,366	561,366	561,366	561,366	561,366
Reserves	(182,759)	520,477	812,313	1,067,284	1,502,924	2,204,394
	378,607	1,081,843	1,373,679	1,628,650	2,064,290	2,765,760
Non Current Liabilities	713,017	1,160,921	1,822,798	2,530,350	3,242,767	3,824,727
Current Liabilities	8,245,792	6,997,888	5,789,000	4,648,505	3,536,383	2,941,819
Total Liabilities	8,958,809	8,158,809	7,611,798	7,178,855	6,779,151	6,766,546
	9,337,416	9,240,652	8,985,477	8,807,505	8,843,440	9,532,306
Break-up value per share	6.74	19.27	24.47	29.01	36.77	49.27
Loss per share	(12.53)	(5.20)	(4.57)	(7.79)	(12.37)	(3.62)



REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE

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

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

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

As part of our audit of 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 corporate governance procedures and risks.

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

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

Chartered Accountant
Engagement Partner:

Shafqat Raza

Karachi

Dated: 09 September, 2024

UDIN: CR202310266zVyHnMcsf



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANSARI SUGAR MILLS LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified Opinion

We have audited the annexed financial statements of **Ansari sugar mills Limited** (the Company), which comprises the statement of financial position as at September 30, 2023, and the statement of profit and loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

- a. The Company holds inventories and cash balance amounting to Rs. 3,236.33 million and Rs. 161,760 respectively as of September 30, 2023. These inventories comprises of stores, spares and lose tools, work in progress, By- product and finished goods. We were unable to obtain sufficient appropriate audit evidence about the physical existence of these inventories and cash balances mainly because we were appointed as auditors after the lapse of 9 month from the end of financial year. Consequently, we were unable to determine whether any adjustment to these amounts were necessary.
- b. In 2018-19 an enquiry against the company's shareholder, directors and group companies has been initiated by the national accountability bureau & federal Investigation Agency (FIA) in the matter of fake bank accounts and accordingly bank accounts of the company were seized by the State Bank of Pakistan. We were unable to obtain sufficient appropriate audit evidence of the matter because we did not have access to the records of investigation agencies with respect to investigation which is pending and sub-justice before court, Consequently we were unable to determine whether any adjustment due to this may be necessary in these financial statements.

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



Key Audit Matters

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

S.No.	Key Audit Matters	How to matter was addressed in our audit
1.	Contingencies	(refer note 21 to the financial statements)
	<p>The company has contingent liabilities in respect of income tax, sales tax and other matters, which are pending adjudication at various levels with the taxation and other authorities.</p> <p>Contingencies require management to make judgments and estimates in relation to the interpretation of different laws, rules and regulations, and the probability of outcome and financial impact, if any, on the company for disclosure and recognition and measurement of any provision that may be required against such contingencies.</p> <p>Due to significance of amounts involved, inherent uncertainties with respect to the outcome of matters and use of significant management judgment and estimates related assess the same including related financial impact, we considered contingencies as a key audit matters.</p>	<p>Our Audit procedures in respect of contingencies included, amongst others, obtaining an understanding of the company's processes and contingent liabilities.</p> <p>We obtained and reviewed detailed of pending matters and discussed the same with the company's management, including review of minutes of the board of directors.</p> <p>We reviewed the correspondence of the company with the relevant authorities and company's tax and legal advisors including judgment or orders passed by the competent authorities in relation to the issues involved.</p> <p>We obtained and reviewed confirmation from the company's external tax advisors and legal advisors for their views on the probable outcomes of the contingent matters.</p> <p>We involved internal tax and legal professionals to assess reasonability of management's conclusion on tax and other related contingencies.</p> <p>We also evaluated the adequacy of disclosures made in respect of such contingencies in accordance with the requirements of the financial reporting standards as applicable in Pakistan.</p>



2.	Stock-in-trade	(refer note 8 to the financial statements)
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	<p>As disclosed in the note 8 to the financial statements, to Rs. 2,957.481 million which constitutes 31.67% of total assets of the company. The stock is measured at lower of weighed average cost and net realized value. There is an element of judgment involved in determining an appropriate costing basis and assessing its valuation.</p> <p>Given the significance of stock- in- trade to the company’s total assets and the level of judgments and estimates involved, we have identified valuation of stock- in- trade as a key audit matter.</p>	<p>Our key procedures amongst others included the following:</p> <ul style="list-style-type: none"> - Obtained an understanding of control over purchases and valuation of stock-in-trade and tested, on a sample basis, their design, implementation and operating effectiveness; - performed observation of inventory counts and physical inspection of the future selling prices of the company; - assessed net realizable value by comparing management’s estimation of future selling prices for the products with the selling prices achieved subsequent to the reporting period; and - assessed the adequacy and appropriateness of disclosures for compliance with the requirement of applicable financial reporting framework.
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Information Other than Financial Statements and Auditors’ Report Thereon

Management is responsible for the other information. Other information comprises the information included in the annual report for the year ended September 30, 2023, but does not include the financial statements and our auditors’ report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Responsibilities of Management and Board of Directors for the Financial Statements

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

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



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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



Report on Other Legal and Regulatory Requirements

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

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

Other Matter

Previous year financial statements were audited by another firm of Chartered Accountants, who had expressed modified opinion as on June 06, 2024.

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

Rao and Company
Chartered Accountants

Place: Karachi

Dated: 9 September, 2024

UDIN: AR202310266VQibBtGU3



FINANCIAL STATEMENT



STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2023

	September 30, 2023	September 30, 2022
Note	----- (Rupees) -----	
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	5 4,170,098,741	4,213,673,133
Intangible assets	6 101,644	151,707
Long term deposits	7 1,236,600	1,236,600
	4,171,436,985	4,215,061,440
CURRENT ASSETS		
Inventories	8-9 3,236,333,313	3,111,622,443
Trade debts	10 248,361,000	40,332,182
Prepayments, Deposits and advances	11 1,661,068,678	1,485,342,909
Cash and bank balances	12 20,216,227	388,293,321
	5,165,979,218	5,025,590,855
	9,337,416,203	9,240,652,295
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised capital 90,000,000 (2022 : 30,000,000) Ordinary shares of Rs.10 each	900,000,000	900,000,000
Issued, subscribed and paid-up capital	13 561,365,550	561,365,550
Reserves		
Capital reserve		
Share Premium	317,293,570	317,293,570
Equity Reserves	336,000,000	336,000,000
Surplus on revaluation of fixed assets	14 1,726,163,320	1,746,292,300
	2,379,456,890	2,399,585,870
Revenue reserves		
Dividend equalization reserve	27,000,000	27,000,000
Accumulated losses	(2,589,215,979)	(1,906,108,779)
	(2,562,215,979)	(1,879,108,779)
	378,606,461	1,081,842,641
NON CURRENT LIABILITIES		
Financial Liabilities	15 64,841,905	387,929,545
Deferred liabilities	16 384,067,602	508,883,938
Provision for quality premium	17 264,108,125	264,108,125
	713,017,632	1,160,921,608
CURRENT LIABILITIES		
Financial Liabilities	15 4,417,822,507	4,094,734,866
Unclaimed dividend	2,196,784	2,196,784
Trade and other payables	18 485,161,648	522,405,481
Accrued mark-up	19 3,295,670,933	2,342,113,831
Current tax liability	20 44,940,239	36,437,084
	8,245,792,111	6,997,888,046
CONTINGENCIES AND COMMITMENTS		
	21 -	-
	9,337,416,203	9,240,652,295

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


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED SEPTEMBER 30, 2023

		September 30, 2023	September 30, 2022
	Note	----- (Rupees) -----	
Sales - net	22	664,347,327	967,206,351
Cost of sales	23	<u>(470,795,178)</u>	<u>(717,472,357)</u>
Gross profit		193,552,149	249,733,994
Operating Expenses			
Selling and distribution expenses	24	<u>(10,185,690)</u>	<u>(1,403,550)</u>
Administrative expenses	25	<u>(49,358,721)</u>	<u>(56,492,650)</u>
		<u>(59,544,411)</u>	<u>(57,896,200)</u>
		134,007,738	191,837,794
Finance cost	26	<u>(953,583,111)</u>	<u>(591,846,168)</u>
Loss before taxation		(819,575,373)	(400,008,374)
Taxation	27	<u>116,339,193</u>	<u>108,089,205</u>
Loss after taxation		(703,236,180)	(291,919,169)
Loss per share - Basic & Diluted	28	<u><u>(12.53)</u></u>	<u><u>(5.20)</u></u>


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR



STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED SEPTEMBER 30, 2023

	September 30, 2023	September 30, 2022
Loss after taxation	(703,236,180)	(291,919,169)
Items not to be reclassified to profit or loss in subsequent period:		
Remeasurement of post employment benefit obligations	32,840	56,587
Incremental depreciation arising from revaluation of property, plant and equipment	20,128,981	22,349,808
Total items that will not be reclassified to net income	20,161,821	22,406,395
Total comprehensive (loss) for the year	<u>(683,074,359)</u>	<u>(269,512,774)</u>

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR



CASH FLOW STATEMENT FOR THE YEAR ENDED SEPTEMBER 30, 2023

	September 30, 2023	September 30, 2022
	------(Rupees)-----	
Loss before taxation	(819,575,373)	(400,008,374)
Adjustments for :		
Depreciation	43,574,393	48,973,460
Amortization	50,063	74,722
Provision for gratuity	-	4,519,020
Finance cost	953,583,111	591,826,264
	997,207,567	645,393,466
Operating (loss) / profit before working capital changes	177,632,194	245,385,092
Changes in working capital :		
(Increase) / decrease in current assets:		
Inventories	(124,710,870)	(316,923,148)
Trade and other receivables	(208,028,818)	21,647,449
Prepayments, deposits and advances	(175,725,769)	18,673,225
	(508,465,457)	(276,602,475)
Increase in current liabilities:		
Trade and other payables	(37,243,832)	60,125,319
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash generated from / (used in) operations	(368,077,094)	28,907,935
Taxes paid	-	-
Finance cost paid	-	(1,213,232)
Net cash used in operating activities	(368,077,094)	27,694,703
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash used in investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term Finances	-	-
Net cash flow from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(368,077,094)	27,694,703
Cash and cash equivalents at the beginning of the year	(1,248,187,193)	(1,275,881,896)
Cash and cash equivalents at the end of the year	(1,616,264,287)	(1,248,187,193)


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Issued, subscribed and paid-up capital	Share Premium	Equity Reserve	Revaluation Surplus on PPE	Sub Total	General reserve	Unappropriated profit / (Accumulated loss)	Sub Total	Total
Balance as at October 01, 2021	561,365,550	317,293,570.00	336,000,000	1,768,642,108	2,421,935,677	27,000,000	(1,636,696,006)	(1,609,696,006)	1,373,605,221
Loss after taxation	-	-	-	-	-	-	(291,919,169)	(291,919,169)	(291,919,169)
Re-measurement of define benefit liability	-	-	-	-	-	-	156,587	156,587	156,587
Incremental depreciation on revalued fixed assets - net of tax	-	-	-	(22,349,808)	(22,349,808)	-	22,349,808	22,349,808	-
Subordinated Loan	-	-	-	-	-	-	-	-	-
Balance as at September 30, 2022	561,365,550	317,293,570	336,000,000	1,746,292,300	2,399,585,869	27,000,000	(1,906,108,780)	(1,879,108,779)	1,081,842,641
Balance as at October 01, 2022	561,365,550	317,293,570	336,000,000	1,746,292,300	2,399,585,869	27,000,000	(1,906,108,780)	(1,879,108,779)	1,081,842,641
Loss after taxation	-	-	-	-	-	-	(703,236,180)	(703,236,180)	(703,236,180)
Incremental depreciation on revalued fixed assets - net of tax	-	-	-	(20,128,981)	(20,128,981)	-	20,128,981	20,128,981	-
Subordinated Loan	-	-	-	-	-	-	-	-	-
Balance as at September 30, 2023	561,365,550	317,293,570	336,000,000	1,726,163,319	2,379,456,868	27,000,000	(2,569,215,979)	(2,562,215,979)	378,606,461

(Rupees)


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AS AT SEPTEMBER 30, 2023

1 STATUS AND NATURE OF BUSINESS

Ansari Sugar Mills Limited (the Company) was incorporated in Pakistan on July 09, 1989 as a Public Limited Company and its shares are quoted in Pakistan Stock Exchanges. The principal business of the Company is manufacture and sale of white sugar. The registered office of the Company is situated Taluka Tando Mohammad Khan, District Hyderabad, Sindh.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by International Accounting Standard Board as are notified under the Companies Act, 2017, provisions of and directives issued under the Companies Act, 2017. In case requirements differ, the provisions or directives of the Companies Act, 2017 shall prevail.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for the land, factory buildings and plant and machinery stated at revalued amounts less accumulated depreciation and impairment losses, if any, certain staff retirement benefits stated at present value and long term investments and certain long term finances stated at amortised cost.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupee which is also the Company's functional currency and figures are rounded off to nearest Rupee except stated otherwise.

2.4 Significant accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise judgment, estimates and assumptions in the process of applying accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In the process of applying the Company's accounting policies, management has made the following estimates and judgments, which are significant to the financial statements:

- Useful lives of property, plant and equipment (note: 5)
- Provision against doubtful debts (note: 10)
- Provision for taxation and deferred taxation (note: 27 and 16.1)
- Valuation of stock in trade (note: 8)

3 INITIAL APPLICATION OF STANDARDS, AMENDMENTS OR AN INTERPRETATION TO EXISTING STANDARDS

The following amendments to existing standards have been published that are applicable to the company's financial statements covering annual periods, beginning on or after the following dates:

3.1 Standards, amendments to approved accounting standards and interpretations effective in current year

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

Standard or Interpretation	Effective date (accounting periods beginning on or after)
IFRS 10 – Consolidated Financial Statements	January 1, 2015
IFRS 11 – Joint Arrangements	January 1, 2015
IFRS 12 – Disclosure of Interests in Other Entities	January 1, 2015
IFRS 13 – Fair Value Measurement	January 1, 2015
IAS 27 (Revised 2011) – Separate Financial Statements	January 1, 2015
IAS 28 (Revised 2011) – Investments in Associates and Joint Ventures	January 1, 2015

3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company.

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



Standards / Amendments / Interpretation	Effective date (accounting periods beginning on or after)
Amendments to IFRS 2 'Share-based Payment' - Clarification on the classification and measurement of share-based payment transactions.	January 1, 2018
Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' - Sale or contribution of assets between an investor and its associate or joint venture. Amendments to IFRS 2 'Share-based Payment' - Clarification on the classification and measurement of share-based payment transactions.	Deferred indefinitely
Amendments to IFRS 10 'Consolidated Financial Statements', IFRS 12 'Disclosure of Interests in Other Entities' and IAS 28 'Investments in Associates and Joint Ventures' - Investment Entities: Applying the consolidation exception.	January 1, 2016
Amendments to IFRS 11 'Joint Arrangements' - Accounting for acquisitions of interests in joint operations.	January 1, 2016
Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure initiative.	January 1, 2016
Amendments to IAS 7 'Statement of Cash Flows' - Amendments as a result of the disclosure initiative.	January 1, 2017
Amendments to IAS 12 'Income Taxes' - Recognition of deferred tax assets for unrealized losses.	January 1, 2017
Amendments to IAS 16 'Property Plant and Equipment' and IAS 38 'Intangible Assets' - Clarification of acceptable methods of depreciation and amortization.	January 1, 2016
Amendments to IAS 16 'Property Plant and Equipment' and IAS 41 'Agriculture' - Measurement of bearer plants.	January 1, 2016
Amendments to IAS 27 'Separate Financial Statements' - Equity method in separate financial statements.	January 1, 2016
Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:	
<ul style="list-style-type: none">· IFRS 1 – First Time Adoption of International Financial Reporting Standards.· IFRS 9 – Financial Instruments.· IFRS 14 – Regulatory Deferral Accounts.· IFRS 15 – Revenue from Contracts with Customers.· IFRS 16 – Leases.	

3.3 Standards, amendments and interpretations that are not yet effective and have been early adopted by the Company.

TR - 32 "Accounting Director's loan" issued by ICAP on January 25, 2016 and applicable for financial statements for the period beginning on or after 1 January 2016 has been earlier adopted by the Company. Resultantly, the loan to an entity which is agreed to be paid at the discretion of the entity does not pass the test of liability and is to be recorded as equity at face value. This is not subsequently re-measured.

The decision by the entity at any time in future to deliver cash or any other financial asset to settle the director's loan would be a direct debit to equity.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Employees benefits

Defined benefit plan

The Company operates unfunded gratuity scheme for all its permanent employees. Provisions are made in the financial statements to cover obligations on the basis of actuarial valuation carried out every second year under the Projected Unit Credit method. The latest valuation was carried out at September 30, 2016. The year in which actuarial valuation is not carried out, provision is made for expected charge calculated by the actuary in the year in which valuation is carried out. All actuarial gains and losses are recognized in full in the period in which they occur in other comprehensive income. All the past service costs are recognized at the earlier of when the amendment or curtailment occurs and when the Company has recognized related restructuring or termination benefits.

Defined contribution plan

There is an approved funded contributory provident fund for all permanent employees. Equal monthly contributions are made by the Company and employees to the fund in accordance with the fund rules. Contributions are made by the employees at the rate of 10% of the basic salary. Retirement benefits are payable to staff on completion of prescribed qualifying period of service under these rules.



4.2 Taxation

Income tax expense comprises current and deferred tax.

Current

Provision for current taxation is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the periods when the differences reverse based on tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax is charged or credited in the profit and loss account, except in the case of items credited or charged to equity in which case it is included in the equity.

4.3 Property, plant and equipment

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land, factory building, non factory building and plant and machinery which are stated at revalued amount less accumulated depreciation.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Major repairs and improvements are capitalized. All other repair and maintenance costs are charged to income during the period in which they are incurred.

The Company assesses at each balance sheet date that whether there is any indication that property, plant and equipment may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in income currently. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

Depreciation is charged to income on reducing balance method so as to write off the written down value of assets over their estimated useful lives at rates disclosed in note 5. Depreciation on additions is charged from the quarter in which the assets become available for use while on disposals depreciation is charged upto the quarter of deletion.

Increases in the carrying amount arising on revaluation of fixed assets are credited to surplus on revaluation of fixed assets. Decreases that offset previous increases of the same assets are charged against this surplus, all other decreases are charged to income. Each year the difference between depreciation based on revalued carrying amount of the asset (the depreciation charged to the income) and depreciation based on the assets' original cost is transferred from surplus on revaluation of fixed assets to unappropriated profit. All transfers to/from surplus on revaluation of fixed assets are net of applicable deferred taxation.

Depreciation methods, residual values and useful lives of assets are reviewed at the end of each financial year, and adjusted if impact on depreciation is significant. During the year, the company has changed the method of depreciation on plant and machinery from reducing balance method to production unit method which has been applied prospectively as per the requirements of IAS 8.

4.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying capital asset under construction are capitalized and added to the project cost until such time the assets are substantially ready for their intended use, i.e., when they are capable of commercial production. All other borrowing costs are recognized as an expense in the income statement in the period in which they are incurred.

4.5 Stores, spares and loose tools

These are valued at lower of cost and net realizable value except for items in transit, which are valued at cost comprising invoice value and related expenses incurred thereon up to the balance sheet date, cost is calculated on First In First Out (FIFO) basis. Obsolete and used stores, spares and loose tools are recorded at nil value.

4.6 Stock-in-trade

The basis of valuation has been specified against each.

Finished goods	At lower of cost or net realizable value
Molasses	Net realizable value
Baggase	Net realizable value
Sugar in process	At average cost of raw material consumed
Molasses in process	Net realizable value
Cotton sticks	Net realizable value
Rice husk	Net realizable value

Provision for obsolete and slow moving stock are made as and when required. Net realizable value signifies the estimated selling price in the ordinary course of business and cost necessary to be included in order to make the sale.



4.7 Trade debts

Trade debts are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.

4.8 Revenue recognition

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer.

Financial income is recognized as it accrues, using the effective mark up rates.

4.9 Foreign currency transactions

All monetary assets and liabilities in foreign currencies are translated into rupees at the exchange rate prevailing on the balance sheet date. Transactions in foreign currencies are translated into rupees at the spot rate. All non-monetary items are translated into rupees at exchange rates prevailing on the date of transactions or on the date when fair values are determined. Exchange differences are included in the income currently.

4.10 Provisions

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

4.11 Impairment

The carrying amounts of the assets are reviewed at each balance sheet date to determine whether there is any indication of impairment of any asset or a group of assets. If any such indication exists, the recoverable amount of that asset is estimated and impairment losses are recognized in the profit and loss account.

4.12 Related party transactions

All transactions between the Company and related party are recorded at arm's length. Prices are determined in accordance with comparable uncontrolled price method, except for the allocation of expenses such as electricity, gas, water, repair and maintenance that are shared with the associated companies based on actual.

4.13 Investments

Held to maturity investments

When the Company has the positive intent and ability to hold debt securities to maturity, then such investments are classified as held to maturity. Held to maturity investments are recognised initially at fair value plus any directly attributable direct cost. Subsequent to initial recognition held to maturity investments are measured at amortized cost using the effective interest rate method, less any impairment losses.

4.14 Financial Instruments

Financial assets

Significant financial assets include investments, advances, receivables and cash & bank balances. Loans and receivables from clients are stated at their nominal value as reduced by provision for doubtful loans and receivables, investments are stated at amortised cost while other financial assets are stated at cost.

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Significant financial liabilities include short term and long term finances, interest accrued and trade and other payables. Certain long term finances are carried at amortised cost while other liabilities are stated at their nominal value.

Recognition and derecognition

All the financial assets and liabilities are recognised at the time when the Company becomes party to the contractual provisions of the instrument. Financial assets are derecognized when the Company loses control of the contractual rights that comprise the financial assets. Financial liabilities are derecognized when they are extinguished i.e. when the obligation specified in the contract is discharged or cancelled. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to income.

4.15 Off setting of financial assets and liabilities

Financial assets and financial liabilities are only off-set and the net amount is reported in the financial statements when there is a legally enforceable right to off-set the recognized amounts and the Company intends to either settle on net basis or to realize the assets and settle the liability simultaneously.

4.16 Cash and cash equivalents

Cash and cash equivalents are carried at cost in the balance sheet. For the purpose of the cash flow statement, cash and cash equivalents comprises cash in hand and bank balances.

4.17 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.

4.18 Dividends

Dividend distribution to the shareholders is recognized as a liability in the period in which the dividends are approved.

4.19 Intangible asset and amortization

Intangible asset represents the cost of computer software acquired and is stated at cost less accumulated amortization and any identified impairment loss.

Amortization is charged to income on the straight line basis so as to write off the cost of an asset over its estimated useful life. Amortization on additions is charged from the quarter in which an asset is acquired or capitalized while no amortization is charged for the quarter in which the asset is disposed off. Amortization is being charged as specified in note 6.

5 PROPERTY, PLANT AND EQUIPMENT

2023 2022
(Rupees)

Operating fixed assets	3,973,226,074	4,016,800,466
Capital work in progress	196,872,667	196,872,667
	<u>4,170,098,741</u>	<u>4,213,673,133</u>

5.1 Operating fixed assets

	Freehold Land	Building on Freehold Land	Non-Factory Building-Freehold	Plant & Machinery	Electrical Installation	Weigh Bridge	Office Equipment & Others	Electrical Appliances	Furniture and Fixtures	Vehicles	Tent & Tarpaulins	Tools & Tackles	Total
At September 30, 2022													
Cost	382,025,000	771,780,550	560,509,621	3,947,312,895	9,461,461	4,618,918	11,274,357	12,362,864	3,511,498	34,209,018	6,570,321	1,993,523	5,765,630,026
Accumulated depreciation	-	(359,955,323)	(228,490,598)	(1,089,175,386)	(8,125,983)	(2,842,496)	(8,683,507)	(8,591,426)	(2,974,096)	(81,460,448)	(6,537,424)	(1,992,870)	(1,748,829,559)
Net book value	382,025,000	411,825,227	332,019,023	2,858,137,509	1,335,478	1,776,422	2,590,850	3,771,438	537,402	2,748,570	32,897	653	4,016,800,467

Year ended September 30, 2023

Opening net book value	382,025,000	411,825,227	352,019,023	2,858,137,509	1,335,478	1,776,422	2,590,850	3,771,438	537,402	2,748,570	32,897	653	4,016,800,467
Additions /Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from CWIP (Note 4.2)	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals -Cost	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals-Acc. Dep.	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge	-	(20,591,261)	(17,600,951)	(3,985,719)	(79,835)	(115,872)	(259,085)	(377,144)	(53,740)	(549,714)	(10,856)	(215)	(43,574,393)
Closing net book value	382,025,000	391,233,965	334,418,072	2,854,201,789	1,255,643	1,660,550	2,331,765	3,394,295	483,661	2,198,856	22,041	437	3,973,226,074

As at 30 September 2023

Cost	382,025,000	771,780,550	560,509,621	3,947,312,895	9,461,461	4,618,918	11,274,357	12,362,864	3,511,498	34,209,018	6,570,321	1,993,523	5,765,630,026
Accumulated depreciation	-	(380,546,585)	(246,091,549)	(1,093,111,106)	(8,205,818)	(2,958,368)	(8,942,592)	(8,968,569)	(3,027,837)	(82,010,162)	(6,548,280)	(1,993,086)	(1,792,403,952)
Net book value	382,025,000	391,233,965	334,418,072	2,854,201,789	1,255,643	1,660,550	2,331,765	3,394,295	483,661	2,198,856	22,041	437	3,973,226,074
Depreciation rates	-	5%	5%	0.00%	0%	0%	10%	10%	10%	20%	33%	33%	



	Freehold Land	Building on Freehold Land	Non- Factory Building-Freehold	Plant & Machinery	Electrical Installation	Weigh Bridge	Office Equipment & Others	Electrical Appliances	Furniture and Fixtures	Vehicles	Tent & Tarpaulins	Tools & Tackles	Total
----- (Rupees) -----													
At September 30, 2021													
Cost	382,025,000	771,780,550	580,509,621	3,947,312,895	9,461,461	4,618,918	11,274,357	12,362,864	3,511,498	34,209,018	6,570,321	1,993,523	5,765,630,026
Accumulated depreciation	-	(338,280,311)	(209,983,281)	(1,082,020,571)	(8,071,227)	(2,751,238)	(8,395,635)	(8,172,377)	(2,914,385)	(30,773,306)	(6,521,221)	(1,992,549)	(1,699,856,100)
Net book value	382,025,000	433,500,239	370,546,340	2,865,292,324	1,390,234	1,867,682	2,878,722	4,190,487	597,113	3,435,712	49,100	974	4,065,773,926
Year ended September 30, 2022													
Opening net book value	382,025,000	433,500,239	370,546,340	2,865,292,324	1,390,234	1,867,682	2,878,722	4,190,487	597,113	3,435,712	49,100	974	4,065,773,926
Additions /Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from CWIP (Note 4.2)	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals -Cost	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals-Acc. Dep.	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge	-	(21,675,012)	(18,527,317)	(7,154,815)	(64,756)	(91,260)	(287,872)	(419,049)	(59,711)	(687,142)	(16,203)	(321)	(48,973,460)
Closing net book value	382,025,000	411,825,227	352,019,023	2,858,137,509	1,335,478	1,776,422	2,590,850	3,771,438	537,402	2,748,570	32,897	653	4,016,800,467
As at 30 September 2022													
Cost	382,025,000	771,780,550	580,509,621	3,947,312,895	9,461,461	4,618,918	11,274,357	12,362,864	3,511,498	34,209,018	6,570,321	1,993,523	5,765,630,026
Accumulated depreciation	-	(359,955,323)	(228,490,598)	(1,089,175,386)	(8,125,983)	(2,842,496)	(8,683,507)	(8,591,426)	(2,974,096)	(31,460,448)	(6,537,424)	(1,992,870)	(1,748,829,559)
Net book value	382,025,000	411,825,227	352,019,023	2,858,137,509	1,335,478	1,776,422	2,590,850	3,771,438	537,402	2,748,570	32,897	653	4,016,800,467
Depreciation rates	-	5%	5%	0.00%	0%	0%	10%	10%	10%	20%	33%	33%	



September 30, September 30,
2023 2022

----- (Rupees) -----

5.2 As at June 14, 2016, valuation was conducted resulting in revaluation surplus- net of deferred tax of PKR 1,924 Million, the valuation was conducted by an independent valuer. Valuations for plant & machinery and buildings were based on the estimated gross replacement cost, depreciated to reflect the residual service potential of the assets taking account of the age, condition and obsolescence. Land was valued on the basis of fair market value. The fair value of the assets subject to revaluation model fall under level 2 of the fair value hierarchy (i.e. significant observable inputs).

5.3. Forced sale value as per the last revaluation report dated 14th June 2016 are as follows

Freehold Land (5.3.1)	464,537,500	464,537,500
Factory & Non-Factory building	846,397,000	846,397,000
Plant & Machinery	2,309,600,000	2,309,600,000
	3,620,534,500	3,620,534,500

5.3.1 represents market value of Freehold land

5.3.2 The above amount does not contain assets which are capitalized from 1st July 2016 to reporting date.

5.4 The particulars of immovable assets of the Company are as follows

Location	Address	Usage	Units	Area/Covered Area		
Sindh	Deh Jagsiyani, Taluka Tando Ghulam Hyder, Dist. Tando Muhammad Khan,	Industrial Land	Acres	132.725	132.725	
Sindh	Deh Jagsiyani, Taluka Tando Ghulam Hyder, Dist. Tando	Factory Building	Square Fts	563,442	563,442	

5.5 Had there been no revaluation, the net book value of the specific class of property, plant and equipment would have amounted to:

	2023	2022
	----- (Rupees) -----	
Freehold Land	9,252,730	9,252,730
Buildings	249,838,123	249,838,123
Plant & Machinery	1,395,951,831	1,395,951,831
	1,655,042,684	1,655,042,684

5.5.1 Depreciation for the year has been allocated as under:

Depreciation	43,574,393	48,973,460
Manufacturing expenses	24,722,688	28,975,844
Administrative expenses	18,851,705	19,997,616
	43,574,393	48,973,460

5.5.2 Disposals

There were no disposals during the year having individual net book value exceeding Rs 500,000.

5.6 The freehold land, buildings and Plant & Machinery with aggregate carrying amount as at reporting date are subject to first charge against the loans outstanding at reporting date. This charge existed at reporting date. The Company is not allowed to pledge these assets as security for other borrowings.

5.7. Capital work in progress

Capital Work-in-progress represents civil works, Plant & Machinery and allied stores held for capitalization.

	2023	2022
	----- (Rupees) -----	
Note		
Opening balance	196,872,667	196,872,667
Addition during the year	-	-
Transfer during the year	-	-
Closing balance	196,872,667	196,872,667



6 INTANGIBLE ASSETS

Cost:

Opening - at net book value
Add: Addition during the period

3,817,343	3,817,343
-	-
3,817,343	3,817,343

Amortization:

Opening balance
Amortization during the year
Accumulated Amortization

3,665,636	3,590,914
50,063	74,722
3,715,699	3,665,636

Net Book value

Amortization rate

101,644	151,707
33%	33%

7 LONG TERM DEPOSITS

Hyderabad Electric Supply Company (HESCO)
British Oxygen Company
Sui gas supply deposit
Security deposit Others
Security deposit

82,500	82,500
212,500	212,500
50,000	50,000
775,600	775,600
116,000	116,000
1,236,600	1,236,600

8 STORES, SPARES AND LOOSE TOOLS

Store and spare parts
Packing material

274,287,005	284,925,048
4,565,052	5,916,953
278,852,058	290,842,001

9 STOCK-IN-TRADE

In hand

Finished goods
Molasses
Baggase
Sugar in process
Molasses in process

9.1	2,942,869,563	2,807,955,565
	-	-
	11,365,000	-
	2,864,191	11,995,560
	382,500	829,317
	-	-
	2,957,481,255	2,820,780,442

9.1 Includes finished goods pledged as security against short term financing from scheduled banks namely Summit Bank Limited, National Bank of Pakistan and Sindh Bank Limited.

------(Rupees)-----

10 TRADE AND OTHER RECEIVABLES -Unsecured & considered good

Trade debts

248,361,000	40,332,182
248,361,000	40,332,182

11 PREPAYMENTS, DEPOSITS AND ADVANCES

Prepayments

91,787 91,787

Advances-considered good & unsecured

Advance to cane growers/Farms
Advance to staff
Advance to suppliers, contractors & others
Advance against expenses
Refundable against freight subsidy

868,960,097	968,058,691
3,841,414	5,085,729
460,716,558	239,427,868
61,782,357	7,002,369
265,676,463	265,676,463
1,661,068,678	1,485,342,909

11.1

Up to Rs 1 Million

Prepayments

91,787 91,787

Rs 1 Million to Rs 2 Million

Loans & advances to staff

3,841,414 5,085,729

Rs 2 Million to Rs 3 Million

- -

Rs 3 Million and above



Advance to cane growers/ farm	868,960,097	968,058,691
Advance to suppliers and contractors	460,716,558	239,427,868
Advance against expenses	61,782,357	7,002,369
	1,391,459,012	1,214,488,928
Refundable against freight subsidy	265,676,463	265,676,463
	<u>1,661,068,676</u>	<u>1,485,342,907</u>

12 CASH AND BANK BALANCES

Cash in hand	161,760	217,238
Cash with banks - current account	20,054,467	388,076,083
	<u>20,216,227</u>	<u>388,293,321</u>

13 SHARE CAPITAL

13.1 Authorized Share Capital		2023	2022
		(Rupees)	
2022	2023		
(Shares in 000)			
90,000	90,000	-	-
	Ordinary Shares of Rs 10 each	<u>900,000,000</u>	<u>900,000,000</u>

13.2 Issued, Subscribed and Paid-up Share Capital

The breakup of Ordinary paid up share capital is as follows;

2022	2023		2023	2022
(Shares in 000)			(Shares in 000)	
50,026	50,026	Ordinary shares of Rs.10 each	500,256,070	500,256,070
6,111	6,111	Issued for cash	61,109,480	61,109,480
		Issued as bonus share		
<u>56,137</u>	<u>56,137</u>		<u>561,365,550</u>	<u>561,365,550</u>

13.2.1 Reconciliation of Number of Ordinary Shares outstanding

Opening balance	56,136,555	56,136,555
Shares issued during the year	-	
Closing Balance	<u>56,136,555</u>	<u>56,136,555</u>

13.2.2 Mr. Khuwaja Anver Majid holds 51.22% shareholding in the Company/.

13.2.3 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meeting of the Company.



	Note	September 30, 2023	September 30, 2022
----- (Rupees) -----			
14 Surplus on revaluation of fixed assets			
Freehold land			
Opening Balance		2,367,729,104	2,399,207,707
Revaluation Surplus during the year		-	-
		<u>2,367,729,104</u>	<u>2,399,207,707</u>
Incremental Depreciation		(28,350,677)	(31,478,603)
Revaluation surplus of items disposed off		-	-
		<u>2,339,378,427</u>	<u>2,367,729,104</u>
Related Deferred Tax			
Opening Balance		621,436,803	630,565,598
Revaluation Surplus during the year		-	-
Change due to change in tax rate		-	-
		<u>621,436,803</u>	<u>630,565,598</u>
Incremental Depreciation		(8,221,696)	(9,128,795)
Revaluation surplus of items disposed off		-	-
		<u>613,215,107</u>	<u>621,436,803</u>
Surplus on Revaluation of Fixed Assets-net		<u>1,726,163,320</u>	<u>1,746,292,300</u>
Land		372,772,270	372,772,270
Others		1,353,391,050	1,373,520,030
		<u>1,726,163,320</u>	<u>1,746,292,300</u>
14.1 Restriction on distribution			
The surplus on revaluation of property, plant and equipment is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.			
EQUITY RESERVE			
Equity Reserve		480,000,000	480,000,000
Less: Related deferred tax		(144,000,000)	(144,000,000)
		<u>336,000,000</u>	<u>336,000,000</u>
15 FINANCIAL LIABILITIES			
Non -Current	15.1	64,841,905	387,929,545
Current		4,417,822,507	4,094,734,866
		<u>4,482,664,411</u>	<u>4,482,664,411</u>



15.1 LONG TERM FINANCES

	Note	Installments		Mark-up	2023	2022
		Number	Commencing from		------(Rupees)-----	
Term loans						
National Bank of Pakistan - Demand Finance Facility - I	15.2	22 quarterly	July 2016 January 2019	3-months KIBOR + 2% per annum	612,091,610	612,091,610
National Bank of Pakistan - Demand Finance Facility - II	15.3	22 quarterly	July 2016	3-months KIBOR + 2% per annum	-	-
National Bank of Pakistan - Demand Finance	15.4	24 quarterly	April 2018	3-months KIBOR + 2% per annum	335,134,772	335,134,772
					200,000,000	200,000,000
					1,147,226,382	1,147,226,382
Sindh Bank Limited - Term Finance - I	15.5	28 Quarterly	October 2017	3-months KIBOR + 3% per annum	145,500,000	145,500,000
Sindh Bank Limited - Term Finance - II	15.5	28 Quarterly	October 2017	3-months KIBOR + 3% per annum	80,510,000	80,510,000
Syndicated Term Finance Facility	15.6	8 semi-annual	July 2014	6 months KIBOR plus 2% per annum	97,000,000	97,000,000
Sindh Bank Limited - Restructured from Running Finance	15.7	24 Quarterly	October 2017	3-months KIBOR + 2.75% per annum	323,904,251	323,904,251
Sindh Bank Limited	15.8	24 Quarterly	October 2016	3-months KIBOR + 2.75% per annum	90,160,000	90,160,000
Sindh bank Ltd	15.11	24 Quarterly	July 2016	3-months KIBOR	98,000,000	98,000,000
					835,074,251	835,074,251
Summit Bank Limited	15.9	24 Quarterly	October 2017	6-months KIBOR + 2.75% per annum	133,375,000	133,375,000
Summit Bank Limited - Restructure	15.10	24 Quarterly	October 2017	6-months KIBOR + 2.75% per annum	730,508,265	730,508,265
					863,883,265	863,883,265
					2,846,183,898	2,846,183,898
Less: Current portion shown under current liabilities					(2,781,341,994)	(2,458,254,353)
					64,841,904	387,929,545

- 15.2** National Bank of Pakistan had amalgamated and re-scheduled four long term loans' outstanding amount up-to Rs. 703.55 million into a single facility. The principal and mark-up thereon is repayable in 4.25 years and 19 quarterly instalments to be paid on step-up basis as the 1st instalment was felt due on January 01, 2017. The Facility is secured against 1st pari passu equitable mortgage charge over all present and future fixed assets of the Company including land, building, plant & machinery and 1st pari passu hypothecation charge over present and future plant and machinery of the Company situated at Deh Jagsiyani, Tappo Fateh Bagh, Taluka Tando Ghulam Hyder, district Tando Muhammad Khan, Sindh.
- 15.3** National Bank of Pakistan had re-scheduled existing running finance facility into long term loan amount up-to Rs. 385.21 million. The principal and mark-up thereon is repayable in 4.75 years and 19 quarterly instalments to be paid on step-up basis with the 1st instalment was felt due on January 01, 2017. The Facility is secured against 1st pari passu equitable mortgage charge over all present and future fixed assets of the Company including land, building, plant & machinery and 1st pari passu hypothecation charge over present and future plant and machinery of the Company situated at Deh Jagsiyani, Tappo Fateh Bagh, Taluka Tando Ghulam Hyder, district Tando Muhammad Khan, Sindh.
- 15.4** The Company had entered into an agreement dated April 17, 2018 with National Bank of Pakistan (NBP) for the demand finance facility for the purpose of financing the cane growers' and suppliers' liability against the hypothecation of charged assets. This facility comprises of twenty four quarterly installments commencing from 30-06-2018, and the markup is charged on the outstanding balance at Kibor plus spread of 2%. The facility is secured by creating 1st pari passu equitable mortgage over all present and future fixed assets of the company including land and building and 1st pari passu hypothecation charge over present and future plant and machinery of the company situated at Deh Jagsiyani, Tappo Fateh Bagh, Taluka Tando Ghulam Hyder District Tando Muhammad Khan, Sindh.



- 15.5** This represent Long term Finance Facility of TF I of Rs. 150 million and TF II Rs. 83 million from Sindh Bank Limited for the expenses incurred against maintenance, servicing and overhauling of property, plant and machinery of the mill. Since Principal repayment has to be commenced only after the end of 1 year grace period but the markup is being accrued. The facility is secured against moveable and immoveable fixed asset of the company with 20% margin to be upgraded to pari-passu within 90 days from the date of disbursement.
- 15.6** This represent Syndicated Term Finance Facility (STFF) of Rs 230 million to settle cane growers and suppliers/contractors liabilities and to improve liquidity position. The parties of the syndicates are Sindh Bank Limited with the share of Rs. 200 million and Summit Bank Limited (agent) with the share of Rs. 30 million. Since the date the facility was availed the loan was repayable in five years including one year grace period. The facility is secured by first pari passu charge over all present and future fixed assets of the Company.
- 15.7** Sindh Bank Limited had restructured a short term Running Finance Facility of Rs. 325 million as Long Term Finance Facility with effect from October 2017. The principal and markup thereon is repayable in seven years including one year grace period but the markup is being accrued. The facility is secured against moveable and immoveable fixed asset of the company with 20% margin to be upgraded to pari-passu within 90 days from the date of disbursement.
- 15.8** This represent Long Term Finance Facility of Rs. 92 million from Sindh Bank Limited with effect from October 2016 for payment of grower liabilities. The principal and markup thereon is repayable in seven years including one year grace period but the markup is being accrued. The principal and mark-up thereon is repayable in 24 quarterly instalments to be paid on step-up basis with the 1st instalment falling due on January 30, 2018. The facility is secured against pari passu charge overall present and future moveable and immoveable fixed asset of the company with 20% margin to be upgraded to pari-passu within 90 days from the date of disbursement.
- 15.9** This represent Long term Finance Facility of Rs. 137.5 million from Summit Bank Limited for settlement of growers liability, suppliers repayment and adjustment of advances. The principal and markup thereon is repayable in seven years including one year grace period but the markup is being accrued. The first principal payment shall fall due within 15 months from the date of disbursement i.e. January 17, 2018. The facility is secured against joint pari-passu hypothecation charge / pari-passu charge (both acceptable) over all present and future movable fixed assets of the customer with 20% margin over facility amount, joint pari-passu equitable mortgage over Land, building any other immovable property with 20% margin over facility amount and over all rights and benefits of customer under any and all project insurances and cut through agreements for reinsurance.
- 15.10** Summit Bank had re-scheduled existing Running Finance - I, Running Finance - II, Syndicated term Finance and Long Term Finance facilities amounting to Rs. 199.93 million, Rs. 300 million, Rs. 15 million and Rs. 250 million respectively into Long Term Finance facility Rs. 764.93 million for balance sheet restructuring, change in debit mix and optimum utilization of resources to maximize can crushing. The principal and mark-up thereon is repayable in 24 quarterly instalments to be paid on step-up basis with the 1st instalment felt due on September 01, 2017. The principal and markup thereon is repayable in seven years including one year grace period but the markup is being accrued. The facility is secured against joint pari-passu hypothecation charge over all present and future movable fixed assets of the company with 20% margin over facility amount, joint pari-passu equitable mortgage over Land, building any other immovable property with 20% margin over facility amount and over all rights and benefits of the company under any and all project insurances and cut through agreements for reinsurance.
- 15.11** The company had converted the Syndicated Term Finance Facility into Long Term Finance amounting Rs. 100 million from Sindh Bank Limited to settle cane growers and suppliers/contractors liabilities and to improve liquidity position in the aftermath of devastating floods in Sindh in 2011 with effect from July 2016. Since the date of conversion the principal and markup thereon is repayable in seven years including one year grace period but the markup is being accrued, the first repayment falling due in fifteen months from the first drawdown date and subsequently every three months thereafter. The facility is secured against initial ranking charge over fixed asset of the company with 20% margin to be upgraded to pari-passu within 90 days from the date of disbursement.

15.2.

Current

	15.2.1	1,636,480,514	1,636,480,514
Cash Finance			
Current portion of long term loans		2,781,341,994	2,458,254,353
		4,417,822,508	4,094,734,867

- 15.2.1** The Company has obtained cash finances amounting to Rs. 2,166 million (2022: Rs.2.162,173 million). The rate of mark-up applicable during the year is 3 month KIBOR Plus 2.5% to 3 month KIBOR plus 3% (2022 : 3 month KIBOR Plus 2%) on the outstanding balance or part thereof to be paid quarterly. These facilities are secured against charge on the current and fixed assets of the Company and pledge of stock of refined sugar.



	Note	September 30, 2023	September 30, 2022
-----(<i>Rupees</i>)-----			
16 DEFERRED LIABILITIES			
Deferred taxation	16.1	358,127,986	485,354,276
Staff retirement benefits - Gratuity	16.2	25,939,616	23,529,662
		<u>384,067,602</u>	<u>508,883,938</u>
16.1 Deferred taxation			
Taxable temporary differences			
Accelerated tax depreciation		415,513,701	414,621,704
Surplus on revaluation of fixed assets		613,215,107	621,436,803
Equity Reserve		144,000,000	144,000,000
		1,172,728,808	1,180,058,507
Deductible temporary differences			
Provision for staff retirement and other benefits		(7,522,489)	(6,823,602)
Minimum Tax/Alternate corporate tax		(144,290,250)	(135,787,095)
Carried forward tax losses etc.		(662,788,083)	(552,093,535)
		(814,600,822)	(694,704,232)
		<u>358,127,986</u>	<u>485,354,275</u>
16.2	Deferred tax asset on tax losses available for carryforward are recognized to the extent that the realization of related tax benefits through future taxable profits is probable.		
16.3 Staff retirement benefits - Gratuity			
	Contributions to the fund are made based on actuarial recommendations. The most recent actuarial valuation was carried out as at September 30, 2023 using the Projected Unit Credit Method.		
	Principal assumptions		
	Discount rate	10.00% per annum	10.00% per annum
	Expected rate of eligible salary increase in future years	10.00% per annum	10.00% per annum
	Liability for gratuity arose in the following manner:		
	Opening net liability	8,998,383	20,425,873
	Expense for the year	1,577,114	4,519,020
	Other Comprehensive Income	(496,930)	(220,545)
	Employees transferred to the Group Companies		(1,117,182)
	Benefits paid	(862,683)	(96,050)
	Closing net liability	9,215,884	23,511,116
	Reconciliation of the liability		
	Present value of defined benefit obligations	9,215,884	22,001,307
	Payable		1,509,807
	Fair value of plan assets	-	-
		9,215,884	23,511,114
16.2.1 Charge to profit and loss account			
	Current service cost	905,269	2,512,955
	Interest cost	701,525	2,006,065
	Total amount chargeable to profit and loss account	1,606,794	4,519,020
16.2.3	Expected future contribution for the next year		
17 PROVISION FOR QUALITY PREMIUM			
	This represents the amount of Quality Premium up to the years 2003-2004. The Federal Government in its steering meeting held on July 16, 2007 suspended the quality premium till decision of the Honorable Supreme Court of Pakistan/consensus on uniform formula is developed in the Ministry of Food and Agriculture.		
	The matter of quality premium has been declared unlawful by the Lahore High Court while appeal against the conflicting judgment of the Sindh High Court is pending with the Honorable Supreme Court of Pakistan since the year 2004 after it granted leave to defend on the question of issue of quality premium. The Apex court also ordered that no coercive action for recovery of quality premium shall be taken against the mills till the case is decided. The Company has made the provision of the quality premium up to the year 2004. However with respect to quality premium for the year ranging within 2004 to 2007 the Company has adjusted subsidies paid above minimum cane price level against quality premium to the growers. The Company has no liability for the period 2007-08 due to recovery rate is less than the threshold of quality premium.		



18 TRADE AND OTHER PAYABLES

Creditors	18.1	64,040,242	60,000,000
Sugar cane creditors		174,464,134	147,458,803
Accrued expenses		29,729,672	95,112,626
others		-	-
		268,234,047	302,571,429
Other liabilities			
Advances from customers	18.2	9,536,000	14,132,300
Due to associates		198,445,000	198,445,000
Others		8,946,600	7,256,752
		216,927,600	219,834,052
		485,161,648	522,405,481

18.1 This includes payable to Omni Polymer Packages (Private) Limited, a related party, in respect of purchases of polypropylene bags.

18.2 This represents advances received against delivery of sugar for which delivery orders have been issued or sale contracts have been made.

19 ACCRUED MARKUP

Accrued Markup-Long Term	19.1	2,059,437,951	1,447,636,296
Accrued Markup-Short Term	19.2	1,236,232,982	894,477,535
Accrued Markup-other		-	-
		3,295,670,933	2,342,113,831

19.1 Accrued Markup- Long Term

Opening Balance	1,447,636,296	1,067,551,667
Charge for the year	611,801,655	380,084,629
Available for payment	2,059,437,951	1,447,636,296
Payment during the year	-	-
Closing Balance	2,059,437,951	1,447,636,296

19.2 Accrued Markup- Short Term

Opening Balance	894,477,535	682,735,900
Charge for the year	341,755,447	211,741,635
Available for payment	1,236,232,982	894,477,535
Payment during the year	-	-
Closing Balance	1,236,232,982	894,477,535

20 CURRENT TAX LIABILITY

Opening Balance	36,437,084	22,874,062
Current tax charge for the year	8,503,155	13,563,021
Tax provision against tax payment	-	-
Closing Balance	44,940,239	36,437,084



21. CONTINGENCIES AND COMMITMENTS

21.1 Contingencies

The Company has following contingent liabilities in respect of legal and other claims arising in the ordinary course of business.

21.1.1 Claims subject to legal proceedings

Following cases has been filed against the Company;

Name of the Court, Agency, Authority	Description of the factual basis of the proceedings and relief sought	Principal Parties	Date instituted
High Court Sindh	Suit filed against the recoveries of outstanding amount	Sindh	30-08-2019
Banking Court	Suit filed against the recoveries of outstanding amount	National Bank	18-10-2019
Banking Court	Suit filed against the recoveries of outstanding amount	Summit Bank	17-10-2019
Banking Court	Suit filed against the recoveries of outstanding amount	Summit Bank	24-08-2020
High Court Sindh	Suit filed against the recoveries of outstanding amount	The Collector Sales Tax	10-4-2004
High Court Sindh	Suit filed against the recoveries of outstanding amount	The Additional Collector Sales Tax	16-04-2003
High Court Sindh	Suit filed against the recoveries of outstanding amount	Collecorate of Customs	10-1-2004

21.1.2 Suit B-44 of 2019 file against the Company for the recoveries of outstanding amount of Rs. 1,715.813 Million by Sindh Bank. The Company has denied the outstanding amount as claimed by the bank in the subject suit as the Bank without having any lawful jurisdiction recovered huge amount from the Company and has illegally adjusted the same toward alleged markup after the expiry of contractual period. No provision has been made in accounts as in view of legal advisor the claimed amount by Bank has to qualify the test of judicial determination with respect to amount actually payable by the Company in accordance with law.

21.1.3 Suit B-64 of 2019 file against the Company for the recoveries of outstanding amount of Rs. 2,932.119 Million & 1,430.374 Million by National Bank of Pakistan. The Company has denied the outstanding amount as claimed by the bank in the subject suit as the Bank without having any lawful jurisdiction recovered huge amount from the Company and has illegally adjusted the same toward alleged markup after the expiry of contractual period. No provision has been made in accounts as in view of legal advisor the claimed amount by Bank has to qualify the test of judicial determination with respect to amount actually payable by the Company in accordance with law.

21.1.4 Suit B-61 of 2019 file against the Company for the recoveries of outstanding amount of Rs. 1,091.573 Million by Summit Bank. The Company has denied the outstanding amount as claimed by the bank in the subject suit as the Bank without having any lawful jurisdiction recovered huge amount from the Company and has illegally adjusted the same toward alleged markup after the expiry of contractual period. No provision has been made in accounts as in view of legal advisor the claimed amount by Bank has to qualify the test of judicial determination with respect to amount actually payable by the Company in accordance with law.

21.1.5 Suit B-28 of 2020 file against the Company for the recoveries of outstanding amount of Rs. 109.565 Million by Summit Bank. The Company has denied the outstanding amount as claimed by the bank in the subject suit as the Bank without having any lawful jurisdiction recovered huge amount from the Company and has illegally adjusted the same toward alleged markup after the expiry of contractual period. No provision has been made in accounts as in view of legal advisor the claimed amount by Bank has to qualify the test of judicial determination with respect to amount actually payable by the Company in accordance with law.

21.1.6 The Company is contesting a case relating to additional sales tax amounting to Rs. 10.364 million on account of in house consumption of baggase as fuel for production during season 1996-97. The matter was under appeal at the Sales Tax Appellate Tribunal which passed an unfavorable order dated 22-05-2004. The other bench of the Tribunal had however remanded back similar case of other mills to the department to consider afresh the valuation aspect of baggase and exemption offered by the government for additional taxes and penalties on discharging only the principal sales tax liability in installments by the mills. The Company has preferred an appeal before the High Court against the order and has made no provision as in view of its legal council the Company has a case on merit which is expected to be decided favorably.

21.1.7 The Company is defending the case of further tax amounting to Rs. 31.181 million under the Sales Tax Act, 1990 pending adjudication before the High Court of Sindh. Earlier, the High Court maintained the favourable order of the Sales Tax Appellate Tribunal, Karachi wherein it was decided that the taxpayer companies were not required to charge impugned further tax. Upon the appeal of Collector of sales tax, the Honourable Supreme Court of Pakistan has remanded the case back to the High Court. The Company has paid a sum of Rs. 6.97 million in the same case in respect of further tax of Rs. 6.45 million and additional tax of Rs. 0.517 million under protest and recorded it as an asset in the financial statements. The Company expects that the High Court will maintain its previous favourable order, hence it does not expect any liability to be materialised and no provision is made in these financial statements.

21.1.8 As discussed in note 17 the Company has adjusted the quality premium against the subsidies paid above minimum cane price level for the year ranging from 2004 to 2007 to the growers. The Company has no liability for the period 2007-08 to 2011-12 due to recovery rate is less than threshold of quality premium. However for the season 2012-13 and 2013-14, as a matter of prudence the Company has not made any provision for quality premium amounting to Rs. 20.76 million (2021: Rs. 20.76 million).

21.2 Commitments

There are no commitments outstanding in respect of capital and revenue expenditures as at reporting date.



	September 30, 2 0 2 3	September 30, 2 0 2 2
	-----(<i>Rupees</i>)-----	
22 SALES - Net		
Local Sales	336,755,777	1,131,631,430
Exports Sales	370,643,465	-
Sales tax / Federal Excise Duty	(43,051,915)	(164,425,080)
	664,347,327	967,206,350
23 COST OF SALES		
Sugarcane consumed	561,957,083	913,665,940
Manufacturing expenses	135,572,676	217,854,773
	697,529,759	1,131,520,713
Opening stock		
Sugar in process	11,995,560	2,253,330
Finish goods	2,807,955,565	2,522,123,805
Molasses	-	-
Molasses in process	829,317	190,291
Baggase	-	-
	2,820,780,442	2,524,567,425
Closing stock		
Sugar in process	(2,864,191)	(11,995,560)
Finished goods - in hand	(2,942,869,563)	(2,807,955,565)
Molasses in process	(382,500)	(829,317)
Baggase	(11,365,000)	-
	(2,957,481,255)	(2,820,780,442)
	560,828,946	835,307,696
Less : Sale of by product - Molasses	(90,033,768)	(117,835,340)
	470,795,178	717,472,357
23.1 Manufacturing expenses		
Salaries, wages including bonus and staff amenities	44,645,864	62,972,254
Packing material	5,955,501	13,939,640
Production Store	43,369,215	79,552,646
Fuel and power	5,299,742	17,275,456
Repair and maintenance	2,907,125	3,121,749
Insurance expense	4,432,520	5,053,084
Vehicle maintenance	1,508,586	1,616,230
Freight & Handling Charges	2,927,143	5,347,870
Depreciation	24,526,981	28,975,844
	135,572,676	217,854,773
23.2 includes in respect of retirement benefits	4,261,730	2,915,921
24 SELLING AND DISTRIBUTION COST		
Advertisement	349,200	-
Research and Development	-	-
Loading and stacking	8,436,798	1,403,550
	10,185,698	1,403,550



	September 30, 2 0 2 3	September 30, 2 0 2 2
	----- <i>(Rupees)</i> -----	
25 ADMINISTRATIVE EXPENSES		
Salaries including bonus and staff amenities	9,890,154	13,567,653
Rent, rates and taxes	626,629	834,723
Insurance	280,179	280,431
Water, gas and electricity	87,288	26,691
Postage, telegram and telephone	1,671,763	1,579,721
Vehicle maintenance	2,946,898	3,273,804
Repairs and maintenance	763,674	829,370
Travelling and conveyance	1,199,670	1,508,632
Fees and subscription	878,541	494,950
Legal and professional	4,472,605	3,356,915
Entertainment	1,225,194	370,439
Computer Expense	98,300	402,622
Depreciation	19,047,412	19,997,616
Amortization	50,063	74,722
Auditors' remuneration 25.2	3,304,245	3,003,859
Internet Expense	1,098,444	1,028,223
Others	1,717,661	5,862,279
	49,358,721	56,492,650
25.1 includes in respect of retirement benefits	1,374,648	1,249,680
25.2 Auditors' remuneration		
Audit fee - Annual	2,307,458	2,097,689
Half yearly review	465,035	422,759
Cost audit fee	-	-
Certification - Code of Corporate Governance	286,993	260,903
Sales tax on audit fees	244,759	222,508
	3,304,245	3,003,859
26 FINANCE COST		
Mark-up on long term finances	611,801,655	380,084,629
Mark-up on short term borrowings	341,755,448	211,741,635
	953,557,103	591,826,264
Unwinding of discount on NBP loan	-	-
Mark-up on WPPF	-	-
Bank charges and others	26,008	19,904
	953,583,111	591,846,168
27 TAXATION		
For the year		
- current	8,503,155	13,563,021
- deferred	(124,842,348)	(121,652,226)
	(116,339,193)	(108,089,205)
27.1 Current		
In view of available tax losses, the provision for current taxation represents minimum tax being the turnover tax under section 113 of income tax ordinance 2001.		
27.2 Turnover tax	8,503,155	13,563,021



27.3 Major components of deferred tax expense

Accelerated depreciatioin	3,275,939	3,785,225
Surplus on revlaution of fixed assets	(8,221,696)	(9,128,795)
Tax losses	(110,699,448)	(101,451,030)
Minimum tax paid	(8,503,155)	(13,912,117)
Gratuity liability	(698,887)	(900,099)
	<u>(124,847,247)</u>	<u>(121,606,816)</u>

27.4 Tax on items recognized in Comprehensive Income

Revaluation of property, plant & equipments	<u>8,221,696</u>	<u>9,128,795</u>
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27.5 The current and deferred tax for the year is calculated using applicable coporate tax rate.

27.6 Relationship between tax expense and accounting profit

Accounting (loss) for the year	(819,575,373)	(400,008,374)
Applicable tax rate	29%	29%
Tax on accounting loss	(237,676,858)	(116,002,428)
Effect of minimum tax	8,503,155	13,563,021
Effect of deferred tax	(124,842,348)	(121,652,226)
Effect due to losses and minimum tax	237,676,858	116,002,429
Tax charge-net	<u>(116,339,193)</u>	<u>(108,089,205)</u>

28. LOSS PER SHARE- Basic & Diluted

28.1 Basic (loss) per share	<u>(12.53)</u>	<u>(5.20)</u>
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The calculation of basic earnings per share has been based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

28.1.1 Profit attributable to ordinary shareholders

Net (loss) for the year	Rupees	<u>(703,236,180)</u>	<u>(291,919,169)</u>
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28.1.2 Weighted average number of ordinary shares (basic)

Opening balance	56,136,555	56,136,555
Effect of ordinary shares issued during the year	-	-
Closing balance	<u>56,136,555</u>	<u>56,136,555</u>

28.2 Diluted earnings per share

There is no impact of dilution on basic earnings per share.



29 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration, including all benefits to the CEO, directors and executives of the Company are as follows:

	2023	2022
Chief Executive Officer		
Managerial remuneration	-	-
Housing and utilities	-	-
Retirements benefits	-	-
Number of persons	-	-
	<u>1</u>	<u>1</u>
Director		
Managerial remuneration	1,236,253	1,123,866
Housing and utilities	679,939	618,127
Retirements benefits	61,813	56,193
Number of persons	1,978,005	1,798,186
	<u>6</u>	<u>6</u>
Executives		
Managerial remuneration	23,758,746	21,598,860
Housing and utilities	2,082,212	1,892,920
Retirements benefits	1,187,937	1,079,943
Number of persons	27,028,896	24,571,723
	<u>7</u>	<u>7</u>
	<u>29,006,901</u>	<u>26,369,910</u>

29.1 In addition, no remuneration has been paid to Chief Executive Officer and other Directors of the Company. Further, certain executives are provided with company maintained cars.



30 FINANCIAL RISK MANAGEMENT

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 policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

30.1 Risk management framework

The Board of Directors has overall responsibility for establishment and oversight of the Company's risk management framework. The executive management team is responsible for developing and monitoring the Company's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through the audit committee.

Risk management systems are reviewed regularly by the executive management team to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees compliance by management with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

30.2 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk, interest rate risk, currency risk and other price risk.

30.2.1 Interest rate risk

Interest rate risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company mitigates its risk against the exposure by focusing on short-term investment and maintaining adequate bank balances. At the reporting date the interest rate profile of Company's interest-bearing financial instruments were:

	2023	Carrying Amount 2022
Fixed rate instruments		
- Financial assets	-	-
- Financial liabilities	-	-
	<u>-</u>	<u>-</u>
Variable rate instruments		
- Financial liabilities	4,482,664,411	4,482,664,411
	<u>4,482,664,411</u>	<u>4,482,664,411</u>



Sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, therefore a change in interest rates at the reporting date would not affect the statement of profit or loss. There is no fixed rate financial assets and liabilities at balance sheet date.

Sensitivity analysis for variable rate instruments

1% Change in KIBOR, the impact on the profit before tax	<u>44,826,644</u>	<u>44,826,644</u>
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30.2.2 Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into are denominated in foreign currencies. The Company is exposed to foreign currency risk on sales which are entered in a currency other than Pak Rupees. When the management expects future depreciation of Pak Rupees, the Company enters into forward foreign exchange contracts in accordance with State Bank of Pakistan instructions and the Company's treasury policy. The policy allows the Company to take currency exposure within predefined limits while open exposures are rigorously monitored.

Following is the gross exposure classified into separate foreign currencies:

	2023	2022
	----- USD -----	
Export trade debt	-	-
Advance against exports	-	-
Gross statement of financial position exposure	<u>-</u>	<u>-</u>

Significant exchange rates applied during the year were as follows:

	2023	2022
	----- USD -----	
Average rate	284.65	204.50
Reporting date rate	287.02	229.06

Sensitivity analysis

1% Change in Exchange rate, the impact on the profit before tax	<u> </u>	<u> </u>
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30.3 Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter-parties failed completely to perform as contracted. The Company does not have significant exposure to any individual counter-party. To reduce exposure to credit risk the Company has developed a formal approval process whereby credit limits are applied to its customers. The management also regularly monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery. To mitigate the risk, the Company has a system of assigning credit limits to its customers based on evaluation based on customer profile and payment history. Outstanding customer receivables are regularly monitored. Some customers are also secured, where possible, by way of inland letters of credit, cash security deposit, bank guarantees and insurance guarantees.



The Company's gross maximum exposure to credit risk at the reporting date is as follows:

	2023	2022
Financial assets	----- USD -----	
Long term investment	-	-
Long term loans	-	-
Long term deposits	1,236,600	1,236,600
Trade and other receivables	248,361,000	40,332,182
Prepayments, deposits and advances	1,661,068,678	1,485,342,909
Cash and bank balances	20,216,227	388,293,321
	<u>1,930,882,505</u>	<u>1,915,205,012</u>

The Company has placed its funds with banks which have long term rating of AAA and A+ by PACRA and JCR – VIS respectively.

Financial assets

Secured	-	-
Unsecured	1,930,882,505	1,915,205,012
	<u>1,930,882,505</u>	<u>1,915,205,012</u>

The ageing of trade debts, loans and advances at the reporting date is as follows:

	2023	2022
Not past due	----- (Rupees) -----	
	<u>-</u>	<u>-</u>

There were no post due or impaired receivables from related parties.

There is no provision for doubtful trade debt.

The recommended approach for provision is to assess the top layer (covering 50%) of trade receivables on an individual basis and apply a dynamic approach to the remainder of receivables. The procedure introduces a Company-standard for dynamic provisioning:

- Provide an impairment loss for 50% of the outstanding receivable when overdue more than 90 days, and
- Provide impairment loss for 100% when overdue more than 120 days.

Concentration risk

The sector wise analysis of Trade debts, loans and advances and bank balances are given below:

	2023	2022
Provision for doubtful:	----- (Rupees) -----	
Banking Sector	20,216,227	388,293,321
Trading Sector	248,361,000	40,332,182
Others	1,662,305,278	1,486,579,509
	<u>1,930,882,505</u>	<u>1,915,205,012</u>

Provision for doubtful:

- Trade debts	-	-
- Loans and advances	-	-
	<u>1,930,882,505</u>	<u>1,915,205,012</u>



Other price risk is the risk that the value of future cash flows of the financial instrument will fluctuate because of changes in market prices such as equity price risk. Equity price risk is the risk arising from uncertainties about future values of investment securities. As at the reporting date, the Company is not materially exposed to other price risk.

30.4 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. The Company treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the maturity date.

Long term loan

Up to one year	2,781,341,993	2,458,254,353
After one year	64,841,905	387,929,545
Total	2,846,183,898	2,846,183,898

Short term borrowings

Up to one year	1,636,480,514	1,636,480,514
After one year	-	-
Total	1,636,480,514	1,636,480,514

2023

2022

----- (Rupees) -----

Trade and other payables

Up to one year	485,161,648	522,405,481
After one year	-	-
Total	485,161,648	522,405,481

Accrued Markup

Up to one year	3,295,670,933	2,342,113,831
After one year	-	-
Total	3,295,670,933	2,342,113,831

All

Up to one year	8,198,655,088	6,959,254,179
After one year	64,841,905	387,929,545
Total	8,263,496,993	7,347,183,724

30.5 Fair value estimation

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



As at balance sheet date, all financial assets and financial liabilities are carried at amortized costs except for investment in Pakistan Investment bonds which are carried at their fair values.

The carrying value of all financial assets and liabilities reflected in these financial statements approximate their fair values. The Company classifies fair value measurement using a fair value hierarchy that reflects the significance of the input 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 (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (level 3).

There are no financial instruments carried at fair value by valuation method and there were no transfer amongst the levels during the year.

30.6 Fair value of financial assets and liabilities

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

30.7 Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. The Company also monitors capital using a gearing ratio, which is net debt, interest bearing loans and borrowings including finance cost thereon, trade and other payables, less cash and bank balances. Capital signifies equity as shown in the statement of financial position plus net debt. The gearing ratio as at reporting date is as follows:

	2023	2022
	----- (Rupees) -----	
Long-term loans	64,841,905	387,929,545
Short-term borrowings	4,417,822,507	4,094,734,866
Total debt	4,482,664,412	4,482,664,411
Cash and bank balances	20,216,227	388,293,321
Net debt	4,462,448,185	4,094,371,090
Share capital	561,365,550	561,365,550
Share Premium	317,293,570	317,293,570
Surplus on revaluation of property, plant and equipment	1,726,163,320	1,746,292,300
Equity Reserve	336,000,000	336,000,000
Dividend equalization reserve	27,000,000	27,000,000
Accumulated losses	(2,589,215,979)	(1,906,108,779)
Sub-Ordinated Loan	-	-
Equity	378,606,461	1,081,842,641
Capital (Net debt + Equity)	4,841,054,646	5,176,213,731
Gearing ratio	92.18%	79.10%



31 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, other related companies, directors of the company, key management personnel and post-employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and due to related parties are shown under respective notes to the financial statement.

Name of the related party

	2023	2022
	----- (Rupees) -----	
Omni Polymer Packages (Pvt.) Ltd.	<u>5,150,340</u>	<u>8,804,250</u>
Pak Ethanol (Pvt.) Ltd.	<u>90,033,768</u>	<u>117,835,340</u>

32 CAPACITY AND PRODUCTION (METRIC TONS)

Number of days mill operated	86	84
Installed crushing capacity (Metric tons)	8,000	8,000
Total crushing on the basis of number of days mil operated (Metric tons)	688,000	672,000
Total actual crushing on the basis of number of days mill	74,345	137,912
Reason for short fall	Limited Operations	Limited Operations
	2023	2022
	----- (Number of Employees) -----	

33 NUMBER OF EMPLOYEES

Employees as at September 30,

- Head Office	5	5
- Factory	<u>62</u>	<u>99</u>
	<u>67</u>	<u>104</u>

Average No. of employees during the year

- Head Office	5	5
- Factory	120	158

34 SIGNIFICANT EVENTS DURING THE YEAR

Except for continuing effect of matters stated below, no major events happened during the year.

- 34.1** In 2018-19, an enquiry against the Company's shareholders, directors and other group companies has been initiated by the National Accountability Bureau & Federal Investigation Agency (FIA) in the matter of fake bank accounts and accordingly bank accounts of the company were seized by the State Bank of Pakistan. As a consequence of this the Company defaulted in making repayments of principal and interest thereon of loans obtained from banks. The Company has engaged legal counsel to defend false allegations of money laundering and illegal actions taken by National Accountability Bureau (NAB) and Federal Investigation Agency (FIA) against the Company, its business, shareholders, directors and lenders. The commercial operations including production of the Company have been resumed from 2020. Further, bank borrowings of the companies are being rescheduled/restructured and be implemented in due course. The management is also confident that outcome of the court proceedings in respect of alleged enquiry would be in the Company's favour.



34.2 On March 11, 2020, the World Health Organization declared the 2018 Novel Coronavirus (the“Covid-19”) out break a pandemic. In response to the outbreak, many countries including Pakistan have implemented measures to combat the outbreak, such as quarantines and travel restrictions. The Company’s financial and operating performance may be adversely affected by the recent corona virus outbreak. Any prolonged restrictive measures in order to control the spread of Covid-19, or other adverse public health developments may significantly impact the demand for the Company’s products. The extent to which Covid-19 will impact the Company’s results of operations and financial condition will depend on future developments, which are highly un-certain and cannot be predicted, and accordingly, an estimate of the impact on these financial statements cannot be made at this time. The financial impact of Covid-19, if any, will be accounted for in the relevant period financial statements.

35 **IMPACT OF COVID-19 (CORONA VIRUS)**

The pandemic of COVID-19 that has rapidly spread all across the world has not only endangered human lives but has also adversely impacted the global economy. On March 20, 2020, the Government of the Sindh announced a temporary lock down as a measure to reduce the spread of the COVID–19. Complying with the lockdown, the Company temporarily suspended its operations from March 23, 2020. In the Company’s case, the lockdown was subsequently relaxed from end of May, 2020.

After implementing all the necessary Standard Operating Procedures (SOPs) to ensure safety of employees, the Company henceforth resumed its operations and has taken all necessary steps to ensure smooth and adequate continuation of its business in order to maintain business performance despite slowed down economic activity. The lockdown has caused disruptions in supply chain including supply to the customers resulting in a decline in sales. It is also expected that the outbreak may result in lower demand in future. Due to this, management has assessed the accounting implications of these developments on these financial statements, including but not limited to the following areas:

- expected credit losses under IFRS 9, ‘Financial Instruments’;
- the impairment of tangible and intangible assets under IAS 36, ‘Impairment of non-financial assets’;
- the net realisable value of inventory under IAS 2, ‘Inventories’;
- deferred tax assets in accordance with IAS 12, ‘Income taxes’;
- provisions and contingent liabilities under IAS 37, including onerous contracts; and
- Going concern assumption used for the preparation of these financial statements.

According to management’s assessment, there is no significant accounting impact of the effects of COVID-19 in these financial statements.

36 **SIGNIFICANTS EVENTS AFTER REPORTING DATE**

Except for the continuing effects of matter stated in note 34.1 above, no major events happended after reporting date.

37 **CORRESPONDING FIGURES**

The corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparisons.



38 AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements have been authorized for issue on September 5, 2024 by the board of directors of the Company.

39 GENERAL

The figures have been rounded off to the nearest Rupee.


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR



PROXY FORM

The Secretary

Ansari Sugar Mills Limited

Deh Jagsiyani, Taluka Tando Ghulam Hayder,
District Tando Mohammad Khan,
Sindh

I _____ of _____ being a member of **Ansari Sugar Mills Limited** and holder of _____ Ordinary shares, as per Register Folio No. _____ hereby appoint _____ of **Karachi** who is also a Member of the Company of as my Proxy to vote for me and on my behalf at the 34th Annual General Meeting of the Company to be held on **30th September, 2024** at **11:30 AM** at **Deh Jagsiyani, Taluka Tando Ghulam Hayder, District Tando Mohammad Khan, Sindh** and at any adjournment thereof.

Signed on _____ day of _____ **20** ____.

Name:

Witness:

1. Signature: _____
Name: _____
Address: _____
CNIC: _____
2. Signature: _____
Name: _____
Address: _____
CNIC: _____

Important:

1. Instruments of Proxy will not be considered as valid unless deposited or received at the Company's Head Office at CL-5/4, State Life Building No. 10, Abdullah Haroon Road, Karachi not later than 48 hours before the time of holding the meeting.
2. CDC shareholders, entitled to attend, speak and vote at this meeting, must bring with them their CNIC/ Passports in original to prove his/her identity, and in case of Proxy, must enclose an attested copy of his/ her CNIC or Passport.
3. In case of corporate entity, the Board of Directors' resolution/ power of attorney with specimen signature of the nominee should be attached with the proxy form.

Shares held: _____

Folio no.	CDC Account no.	
	Participant ID	Account No.
	CNIC: _____ - _____ - _____	