Shakarganj
Limited

ANNUAL REPORT FOR THE YEAR ENDED 2022

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VISION, MISSION & CORE VALUES

To provide the best value products and services to our customers through investment in technology, human resources, operational systems, and processes

To provide the best working environment to our employees and provide them opportunities to enhance their skills

To gain and maintain leadership in our relevant sectors by producing the best quality products at the lowest possible cost

To give the best returns to our shareholders by optimal allocation of resources to the products and markets we compete in

To work with our farmers, suppliers, and distributors as partners in developing their expertise and profitability

To pursue environment friendly policies, and effectively and efficiently use all energy resources aiming for zero waste and a clean healthy environment

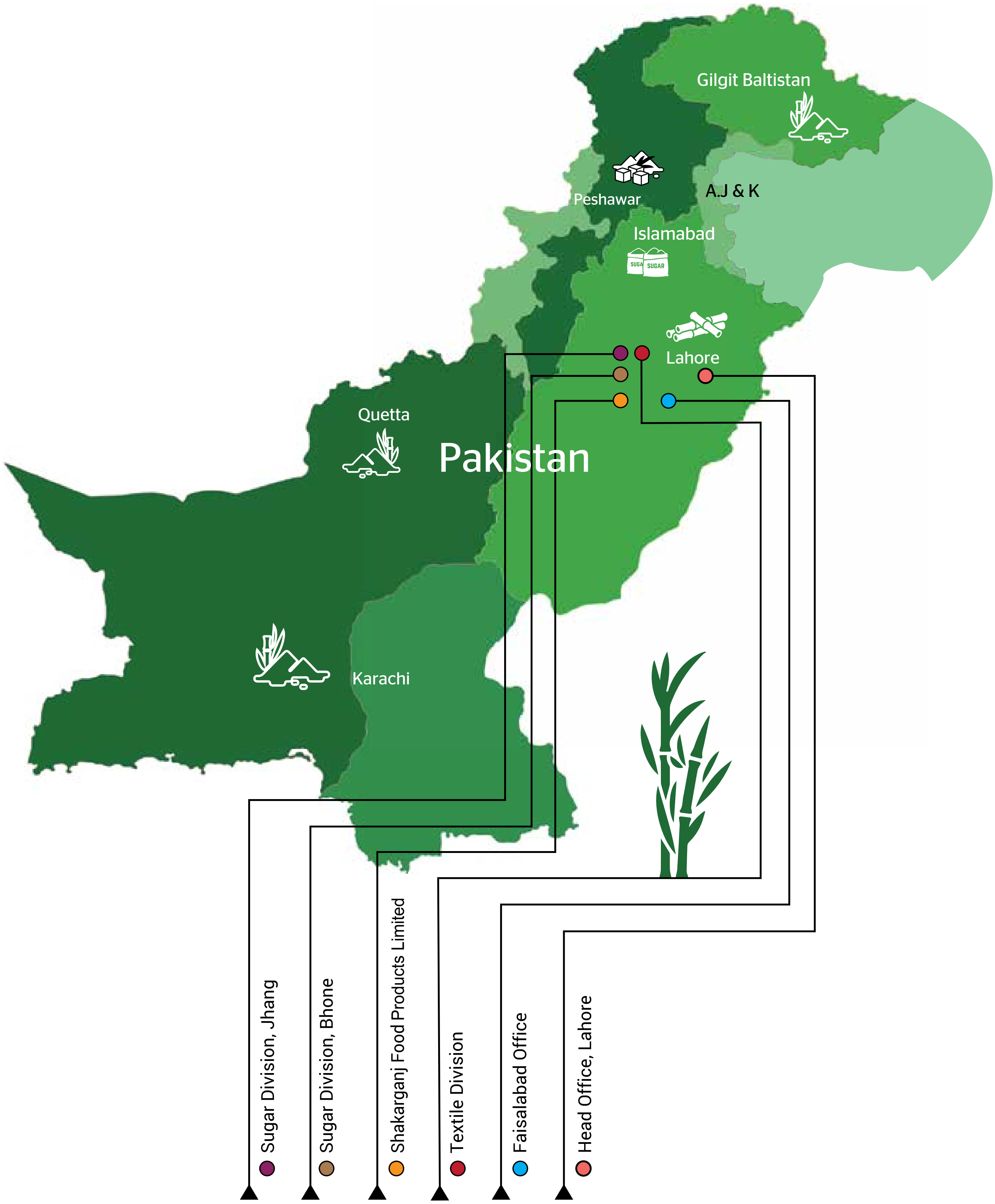
To be a socially responsible corporate citizen supporting education, health, environment, and socio economic development of its community

QUALITY POLICY

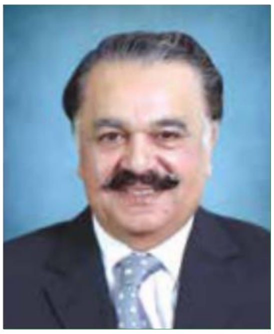
Our quality policy, stemming from our vision, is to maintain industry leadership and customer satisfaction through production of high quality sugar, biofuel, yarn, and other allied products at lowest cost, using environment friendly technology in safe working conditions.

We run our businesses with integrity and professionalism, and believe in continual improvements and a fair deal for our investors, customers, suppliers and above all our employees.

GEOGRAPHICAL PRESENCE



COMPANY INFORMATION





Board of Directors

From Left to Right

1. Chairman (Non-Executive)	Mian Muhammad Anwar
2. Chief Executive Officer	Anjum Muhammad Saleem
In alphabetic order:	
3. Executive Director	Ali Altaf Saleem
4. Non-Executive Director	Javed Anjum
5. Non-Executive Director	Khalid Bashir
6. Executive Director	Muhammad Pervez Akhtar
7. Non-Executive Director (Independent)	Sheikh Asim Rafiq
8. Non-Executive Director (Independent)	Zahra Ahsan Saleem

Chief Financial Officer
Muhammad Asif

Company Secretary
Asif Ali

Audit Committee
Chairman
Sheikh Asim Rafiq (Independent)

Member
Javed Anjum
Khalid Bashir
Zahra Ahsan Saleem (Independent)

Human Resource & Remuneration Committee
Chairperson
Zahra Ahsan Saleem (Independent)

Member
Anjum Muhammad Saleem
Khalid Bashir
Mian Muhammad Anwar

MANAGEMENT COMMITTEES

Executive Committee

Anjum Muhammad Saleem
Chairman
Ali Altaf Saleem
Muhammad Pervez Akhtar

This committee devises long term policies and visions for the Company with the sole objective for providing the best returns to shareholders by optimum allocation of existing resources. The Committee is also responsible for review of Company's operation on ongoing basis, establishing and ensuring adequacy of internal controls and monitoring compliance of key policies.

Business Strategy Committee

Anjum Muhammad Saleem
Chairman
Ali Altaf Saleem
Muhammad Pervez Akhtar
Muhammad Asif
Manzoor Hussain Malik

This Committee is responsible for formulation of business strategy, review of risks and their mitigation plan. Further, the Committee is also responsible for staying abreast of developments and trends in the Industry to assist the Board in planning for future capital intensive investments and growth of the Company.

System and Technology Committee

Muhammad Pervez Akhtar
Chairman
Muhammad Asif
Ibrahim Ahmad Cheema

This committee is responsible for devising the I.T. Strategy within the organization to keep all information systems of the Company updated in a fast changing environment.

SHAREHOLDERS' INFORMATION

Stock Exchange Listing

Shakarganj Limited is a listed company and its shares are traded on the Pakistan Stock Exchange. Daily quotes on the Company's stock can be obtained from leading newspapers. Shakarganj is listed under 'Sugar & Allied Industries'

Public Information

Financial analysts, Stock brokers, interested investors and financial media desiring information about "Shakarganj" should contact
Mr. Asif Ali
at the Company's Office, Jhang.
Tel: (047) 763 1001 - 05
Fax: (047) 763 1011
E-mail: info@shakarganj.pk

Shareholders' Information

Inquiries concerning lost stock certificates, dividend payment, change of address, verification of transfer deeds and share transfers should be directed to CorpTec Associates (Pvt) Limited, Share Registrar of the Company at Lahore.
Tel: (042) 3517 0336 - 7
Fax: (042) 3517 0338
E-mail: info@corptec.com.pk

Products

- Sugar
- Biofuel
- Yarn
- Tiger Compost

Legal Advisor

Saad Rasool Law Associates
Hassan & Hassan Advocates

Auditors

Riaz Ahmad & Company
Chartered Accountants

Bankers

MCB Bank Limited
National Bank of Pakistan
Bank Islami Pakistan Limited

Works

Principal Facility

Management House
Toba Road, Jhang, Pakistan
Tel: (047) 763 1001 - 05
Fax: (047) 763 1011
E-mail: info@shakarganj.pk

Satellite Facility

Management House
63 km, Jhang Sargodha Road
Bhone, Pakistan
Tel: (048) 688 9211 - 13
Fax: (047) 763 1011

Website

www.shakarganj.pk
Note: This Report is available on Shakarganj website.

Registered and Principal Office

Executive Floor, IT Tower, 73 E 1 Hali Road, Gulberg III, Lahore, Pakistan
UAN: (042) 111 111 765
Tel: (042) 3578 3801-06
Fax: (042) 3578 3811

Faisalabad Office

Nishatabad, New Lahore Road, Faisalabad, Pakistan
Tel: (041) 875 2810
Fax: (041) 875 2811

Share Registrar

CorpTec Associates (Pvt) Limited
503-E, Johar Town, Lahore
Tel: (042) 3517 0336 - 7
Fax: (042) 3517 0338
E-mail: info@corptec.com.pk

Annual General Meeting

The 55th Annual General Meeting of Shakarganj Limited will be held on Monday, 27 February 2023 at 11:00 a.m. Executive Floor, IT Tower, 73 E 1 Hali Road, Gulberg III, Lahore and through video link.

COMPANY PROFILE AND GROUP STRUCTURE

Shakarganj Limited was incorporated in Pakistan in 1967 as a Public Limited Company and is listed on the Pakistan Stock Exchange. Shakarganj is a leading manufacturer of food products, biofuel, as well as textiles. We transform renewable crops such as sugarcane and cotton into value added products including refined sugar, biofuel and textiles etc. Our registered office is in Lahore with regional offices in Faisalabad. Shakarganj Limited, through its strategic shareholding in Shakarganj Food Products Limited, is also active in production of dairy and fruit products.

Sugar Business

We have two manufacturing facilities, which are both located in District Jhang. We produce different types of sugar comprising pharmaceutical, beverage and commercial grades sugar as well as soft brown sugar, castor and icing sugar, sugar cubes, sachets and retail packs. Our combined crushing capacity is of 16,000 Tons of Cane per Day (TCD) which is extendable to 20,000 TCD.

Biofuel Business

We have six distillation plants of which three are located at our Jhang facility and the remaining three are located at our Bhone facility where various grades of biofuel are produced. Our products include Rectified Ethanol (REN) for industrial and food grades, Anhydrous Ethanol for fuel grade, and Extra Neutral Alcohol (ENA) for pharmaceutical and perfume grades. The combined capacity of our distilleries is 350,000 litres per day.

Textile Business:

This cotton spinning unit produces carded cotton and PC yarn ranging from 10/s to 33/s. The installed capacity is 24,960 spindles for cotton spinning.

Farming & Allied Business:

This comprises different parcels of land mainly located in Jhang District near our manufacturing facilities. Total area for cultivation is 790 acres which is our owned land. The main crops include sugarcane, wheat, gram, maize, fodder and seasonal vegetables. A dairy farm located at Jhang has been developed, with a herd of around 225 milking and fattening cattle. Shakarganj has also launched a new product in the area of non chemicals fertilizers under the brand name of "Shakarganj Tiger Compost". The product as organic fertilizer has been developed using aerobic decomposition process with addition of standardised microbial culture in filter cake. The compost is a rich source of organic matter, with macro and micro nutrients to help improve soil and it is very useful for better growth, yield and quality of all field crops in general and specifically for sugarcane. This is at its initial stage and would grow up in the farmer's community with the practical exposures.

Business Vision and Strategy:

Shakarganj's vision is to create the country's leading renewable ingredients business. We aim to achieve this by building a consistent portfolio of distinctive, profitable, high-value solutions in products and services for our customers. Shakarganj is committed to providing long-term value for our shareholders. Our strategy is to build a stronger value added business with a low-cost commodity base. We focus on five key business objectives to deliver consistent growth.

- Serve our Customers:

Delivering excellent customer service is at the core of everything we do. Our aim is to be the partner of choice in our customers' processes and to help them develop more successful consumer products.

- Operate Efficiently and Safely:

We aim to be the lowest-cost and most efficient producer in all our markets. Through our expertise in high-volume process management, our focus is on technical and manufacturing excellence and the efficient use of services such as logistics and utilities. We are continually working to improve operational efficiency and strive to ensure safe and healthy conditions for everyone at our sites.

- Invest in Long Term Assets and Partnerships:

We continually evaluate investment opportunities that would add strategic value by enabling us to enter new markets or add products, technologies and knowledge more efficiently than we could originally. We also aim to grow our business by forming joint ventures and partnerships to enhance the capabilities of our existing product portfolio. Using alliances and joint ventures can be an efficient way to lower our cost of investing in new areas and markets, and will help secure access to new and complementary technology and expertise.

- Invest in Technology and People:

We are investing in our research and development capabilities to help us in developing innovative solutions that meet our customers' product challenges. We are also complementing our own capabilities through business and technology partnerships, and university collaborations. To develop talent, improve leadership and help our employees succeed. We operate various Programmes designed to ensure the right skills at all levels to grow our business.

- Grow the Contribution from Value Added Products:

We are committed to grow the contribution from our value added products. Value added products utilise technology and intellectual property enabling us to obtain a price premium along with sustainable and/or higher margins.

shakarganj®

FOOD PRODUCTS LIMITED

SFPL comprises of three divisions – Dairy, Juice and Pulp & Concentrates. The Dairy and Juice division uses Tetra Pak packages to deliver UHT dairy and beverage products to the local market. The Pulp & Concentrate division produces fruit pulps, concentrates and purees for sale in both the Pakistan and International market. Our aim is to supply premium quality food products to our customers and become one of the leading food companies in Pakistan.

DAIRY & JUICE DIVISION

Shakarganj entered into the dairy business in 2006 with the introduction of its brand "good milk". Since then, it has expanded with a diverse product portfolio in both the dairy and beverage category including UHT white milk, flavoured milk as well as a wide range of juices and nectars. The company has been able to leverage the Shakarganj name in the farming community to establish its milk collection network thereby developing a strong, sustainable and shared value-based supply chain for the business function. The company sells its products throughout the country via a nationwide distribution network.

DAIRY & JUICE PLANT

- Processing and packaging plant located at Jaranwala.
- Machinery from internationally renowned companies such as Tetra Pak.
- Well-equipped, state of the art of laboratory and testing facility at the plant run by a team of technically skilled and experienced staff.
- Research facility for new product development.
- International and domestic quality certifications: HACCP, PSQCA, PFA and HILAL

MILK PROCUREMENT NETWORK

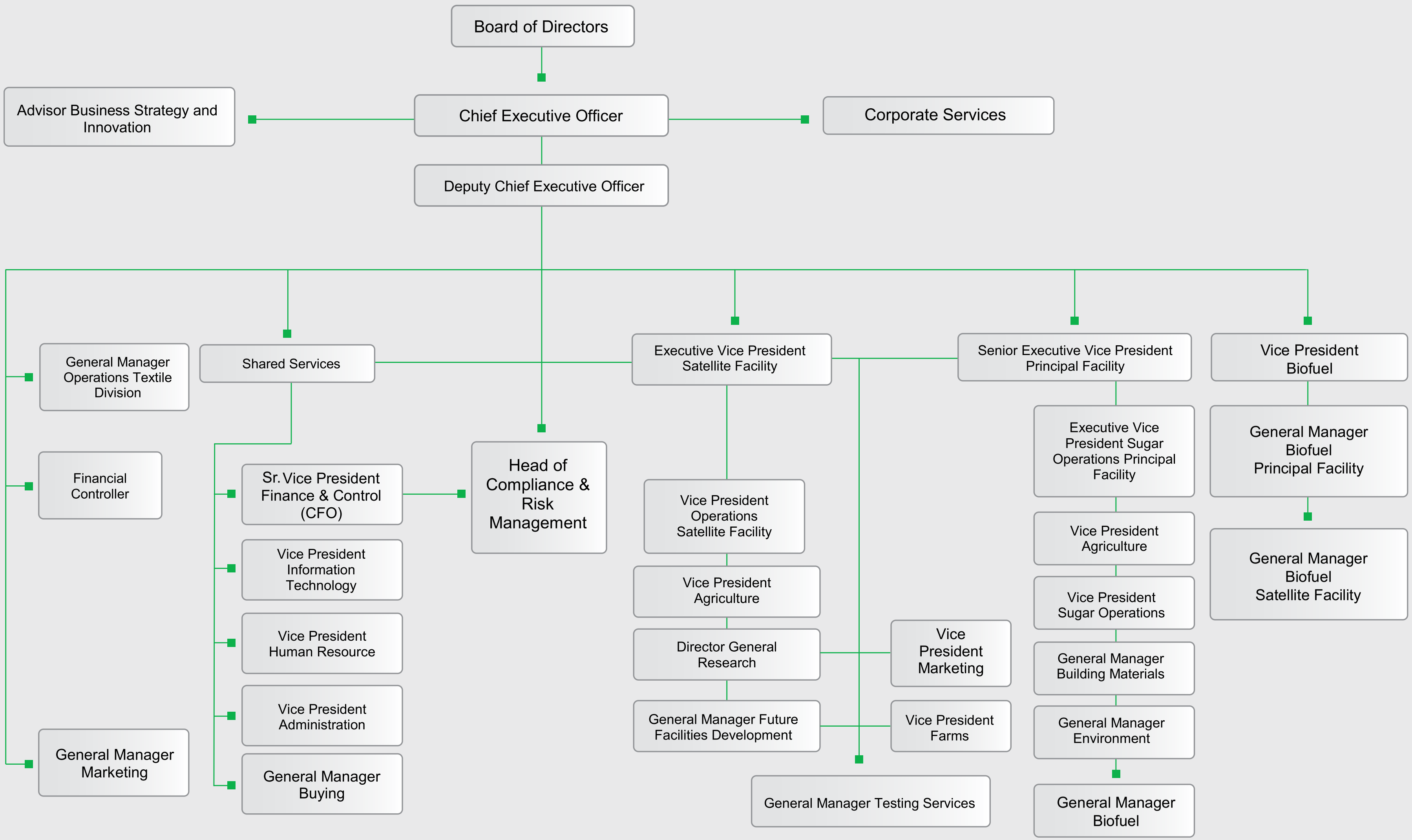
- Well established network of milk collection center at prime locations in Pakistan.
- Collection center run by highly skilled and experienced staff members.
- Quality procurement ensured by well-quipped laboratory and advanced testing facility.
- Advisory services provided by technical team to facilitate higher yield and enhanced milk quality to support the farming community

PULP & CONCENTRATE DIVISION

Shakarganj has significant capabilities regarding the production of fruit pulps and purees. It is one of the leading manufacturers in Pakistan and has a significant volume of exports to Europe, the Middle East, Africa and Far East. Our manufacturing and processing facility is located in the heart of the agricultural and fruit producing region of Pakistan; giving our customers an advantage in terms of product freshness, continuity of fruit supply and reduced 'time to market'.

- Plant is located at Chiniot.
- Two processing lines for production of juice concentrates, puree and pulps.
- Product storage facilities consist of both, a Refrigerated and frozen setup.
- Technically skilled and experienced manpower.
- Well-equipped laboratory and testing facilities ensure effective quality assurance according to international standards.
- International quality certifications: Food Safety System Certification 22000

ORGANIZATIONAL CHART



REVIEW REPORT BY CHAIRMAN

It gives me immense pleasure to present this report to the shareholders of Shakarganj Limited pertaining to the overall performance of the Board and the effectiveness of its role in attaining the Company's aims and objectives.

Shakarganj Limited has implemented a strong governance framework supportive of an effective and prudent management of business matters which is regarded as instrumental in achieving long-term success of the Company.

During the year, the Board Committees continued to work with a great measure of proficiency. The Audit Committee has focused in particular on the management and control of risks associated with the business. At the same time, the Human Resource and Remuneration Committee has ensured that the HR policies regarding performance management, HR staffing, compensation and benefits are market driven, and are properly aligned not only with the Company's performance and shareholders' interests but also with the long-term success of the Company.

The Board as a whole has reviewed the Annual Report and Financial Statements, and is pleased to confirm that in its view the report and financial statements, taken as a whole, are fair, balanced, and understandable.

The Board carries out a review of its effectiveness and performance each year, on a self-assessment basis. The last such review was carried out in January 2023 for the fiscal year 2022. The overall effectiveness of the Board was assessed as satisfactory and areas that required improvement were duly considered and suitable action plans were framed.

The overall assessment was based on an evaluation of the following integral components:

1. Vision, Mission, and Core Values: The Board members are familiar with the current vision, mission, and core values and found them appropriate for the organization.
2. Engagement in strategic planning: The Board has a clear understanding of the stakeholders whom the organization is meant to serve i.e. its shareholders, farmers, customers, employees, vendors, and the community. The Board has the strategic vision of how the organization should be evolving over the next three to five years and has identified key indicators for tracking its progress.
3. Formulation of policies: The Board has established policies that cover all essential areas of board responsibility and operations of the Company.
4. Monitoring the organization's business activities: The Board is knowledgeable about the organization's current business activities including strengths and weaknesses of each major activity, and has an effective process for tracking performance activity-wise as well as area-wise.
5. Adequacy of financial resources management: The Board is knowledgeable about key aspects relating to managing the financial resources of the Company and provides appropriate direction and oversight on a timely basis.
6. Provide effective fiscal oversight: The Board ensures that the budget reflects the priorities established in the annual strategic plan and it complies with regulations governing the audit or independent examination of accounts and considers all recommendations made in the independent auditors' report.
7. Act as a responsible employer: The Board has created necessary policies which ensure that the organization behaves in an equitable and legal manner towards staff, contractors, vendors, and any other individual working on its behalf.
8. Relationship between Board and Staff: Roles and Responsibilities of Board and management staff are clearly defined and understood and climate of mutual trust and respect exists between Board and management.
9. Organization's Public Image: Board members promote a positive image of the organization in the community.
10. Review of CEO performance: The Board assesses the performance of the Chief Executive Officer in a fair and systematic manner and ensures that CEO's pay is properly aligned with the Company's performance, shareholders' interests and the long-term success of the Company.
11. Board Structure and Dynamics: Size and composition of the Board is adequate to govern the Board procedures and the members are actively engaged in the work of the Board. The Board meets frequently enough to adequately discharge its responsibilities.

On an overall basis, I believe that the strategic direction of the Company for the next three years is clear and appropriate despite of the tough macroeconomic situation. Further, the processes adopted in developing and reviewing the overall corporate strategy and achievement of Company's objectives are comprehensive. Here, I would also like to recognize the management and our people for their resolve, perseverance and untiring support in these testing times, they have stood firm with us and continued to deliver despite hardships of last couple of years.

I would also like to thank all the stakeholders for consistent support, and I hope that your patronage of the Company would continue in years to come.

Mian Muhammad Anwar
Chairman

31 January 2023

DIRECTORS' REPORT

Dear Shakarganj Shareholder:

The Directors of Shakarganj Limited ("the Company") have the pleasure in submitting their report together with audited financial statements of the Company for the year ended 30 September 2022.

State of the Company's affairs and Overview of its Business

The Company was incorporated in Pakistan and is listed on the Pakistan Stock Exchange. It is principally engaged in the manufacture, purchase, and sale of sugar, biofuel, yarn (textile). The Company has its principal manufacturing facilities at Jhang and satellite manufacturing facilities at Bhone.

Financial Results

The financial results of the Company are summarised below:

		2022	2021
		Rupees in thousand	
Revenue		12,325,570	9,161,763
Gross profit / (loss)		370,713	(590,166)
Loss from operations		(66,036)	(954,369)
Share of profit from equity accounted investee		64,196	65,128
Loss before taxation		(338,138)	(1,164,266)
Taxation		112,836	(223,644)
Loss for the year		(225,302)	(1,387,910)
Loss per share - basic and diluted	(Rupees)	(1.80)	(11.10)

Overview of the Company's Business

Comparatively better season for the Company in which Shakarganj was able to increase its crushing significantly. During the year under review, the Company was able to crush 1,347,651 MT of sugarcane as compared to 1,006,075 MT of sugarcane in the previous year. With the increase in sugar recovery, there was more than 37% increase in the sugar production as compared to last season. Mills were compelled to procure sugarcane at considerably higher prices as compared to notified support price of sugarcane resulting tough competition among the mills. Growers were not willing to sell sugarcane at the rate fixed by the provincial government and middleman was freely dealing in sugarcane and in order to secure high prices, created shortage of sugarcane and non-availability of sugarcane kept sugarcane prices on the rise resulting cost escalation. The average sugarcane prices were increased to Rs. 255 per 40 kg as compared to Rs. 251 per 40 kg in the previous year.

Better year for distilleries operations as with better crushing and availability of its own molasses, production was increased by more than 41% as compared to the previous year. Due to financial limitations, procurement of molasses was made but not on the largescale basis. In the last couple of years, prices of raw material in core areas of sugar and biofuel have constantly increased.

Inspite of financial challenges being faced by the Company, the management of the Company performed well. During the year the Company earned Rs. 370.71 million gross profits as compared to gross loss of Rs. 590.17 million during previous year. Loss from operations was Rs. 66.04 million and net loss after tax was Rs. 225.30 million for the year. The Company accounted for its share of income in equity accounted investment in Shakarganj Food Products Limited amounting to Rs. 64.20 million as compared to profit of Rs. 65.13 million in the previous year.

The Company remains committed to its best efforts to achieve better performance and to improve its liquidity scenario. Various steps were being taken to overcome the liquidity crunch as details given in Note 1.3 to the financial statements attached herewith as all out efforts were being made to improve the production and profitability of the Company through efficiency and effectiveness, reducing production cost. The management considers that the measures explained would result in availability of adequate financial resources for the Company to sustain the continuity of its business for the foreseeable future and thus maintain its going concern status.

Principal Risks and Uncertainties Facing

Following are the principal risks and uncertainties currently faced by the Company:

- ➢ Higher purchase price of sugarcane as compared to sugar sale price
- ➢ Heavy taxation, sales tax rates on finished products
- ➢ Lack of irrigation water, reducing the yield of crop & low-capacity utilizations
- ➢ Vulnerable to political interests
- ➢ Being an agro based industry, inherent risks of natural calamities / conditions
- ➢ Increasing cost of production and labour
- ➢ Overall inflationary increase in operational expenses
- ➢ Environmental concerns and sugar free products
- ➢ Further Rupee devaluation will result in cost escalation

Adequacy of Internal Control

The system of internal control of the Company is sound in design and has been effectively implemented and monitored. The Board of Directors is aware of its responsibility with respect to internal controls environment and accordingly has established an efficient system of internal financial controls, for ensuring effective and efficient conduct of operations, safeguarding of Company's assets, compliance with applicable laws and regulations and has a reliable financial reporting system. The outsourced independent internal audit function is in operation and such function regularly appraises and monitors the implementation of financial controls. Audit Committee of the Board, reviews the effectiveness of the internal control framework and financial statements regularly on quarterly basis.

Auditors

The auditors Riaz Ahmad & Co, Chartered Accountants will retire and have not offered themselves for reappointment. We place our sincere thanks & appreciation for their services. The Board, on recommendation of the Audit Committee, has recommended the appointment of HLB Ijaz Tabussum & Co., Chartered Accountants, as auditors for consideration of members at the forthcoming Annual General Meeting.

Corporate Social Responsibility

We actively seek opportunities to contribute to the communities in which we operate and to improve the environments that sustain us all. Our areas of primary focus are education, health and safety, energy conservation, waste reduction, and community building. During the year Shakarganj contributed around Rs. 14.51 million toward these activities. As a responsible member of the corporate community, Shakarganj always contributes substantially towards the national economy on account of taxes and other government levies. Company's contribution toward federal, provincial and local taxes was in excess of Rs. 1,750 million during the year under review.

At Shakarganj, Corporate Social Responsibility (CSR) is a strategic management driven initiative that incorporates our business, environmental, and citizenship activities in a manner that supports our vision and upholds our values. We aim to play a positive role in the communities in which we operate. Our community involvement policy is one of the core components underpinning our ethical behaviour. Our programmes involve building long term relationships with local communities to deliver our shared objective: establishing strong, safe, healthy and educated communities by investing time and resources into projects that directly address local needs. Our Social Action Programme (under Shakarganj

Foundation) delivers a variety of social services in our extended community under the banner of "Sukh Char Programme" These services include education, healthcare, promotion of arts, and protection of our cultural heritage.

Our school adoption initiative provides support to 35 local girls' and boys' schools that includes provision of clean drinking water, nutrition supplements, uniforms, maintenance of infrastructure and building additional facilities where required. Provision of Oolala flavoured milk is our regular feature and 232 students have been provided Oolala flavoured milk on a regular basis in two schools. Shakarganj also provides support to the education programme of The Citizens Foundation. To provide backbone support to the education initiative a purpose-built teachers training institute was established at Shakarganj premises as a public service.

Shakarganj funded special incentives for school children including recognition of high achievers in school exams with scholarships and awards, sports competitions for school children, and inter-school handwriting competitions for school children and teachers. Our Healthcare initiative delivers primary medical facilities at the doorsteps of our extended community. Three teams of qualified doctors, paramedical staff, and mobile dispensaries served over 10,000 patients during the year.

We provide support to promising local talent in improving their artistic skills in a structured training programme at the School of Art and Calligraphy. A display centre exhibiting the works of these artists and promotion of cultural heritage is also maintained by Shakarganj at the School. In the year 2021-2022, total 317 students have been passed out in Fashion Designing and Fine Art batches.

Health, Safety, and Environment

As we always aim to be an exemplary corporate citizen, health, safety, and environmental concerns are always among our key focal points. We are committed to providing healthy, safe, and clean conditions for our employees, contractors and visitors. In providing a good working environment there is no higher priority than safety and we target continuous improvement to reduce recordable injury and accident times to zero. Nearly nine hundred and forty-two members of Team Shakarganj have participated in a structured program to obtain professional training and certification in first aid in collaboration with Pakistan Red Crescent Society – Punjab and Rescue 1122. Preventive action and training and timely response procedures to deal with potential accidents have resulted in minimising recordable injuries and accidents.

Environmental protection issues are always considered on a higher priority than profit concerns. Shakarganj produces all its products from renewable crops and raw materials and does not believe in making profits at the cost of damage to our environment. We proactively fund and support environmental protection activities in our communities in particular and on national level generally. Energy conservation and aiming for 'zero' waste are our key environment friendly policies. Using sugar by-products in our production lines substantially reduces use of fossil fuels and waste disposal problems. Distillery spent-wash is the ultimate waste product in our production process. This is now biologically treated to produce bio-gas as fuel, and water which is safe to use for irrigation. In addition to this we encourage and promote biological pest control, organic farming techniques, and return of all natural nutrients to the soil that are brought with supply of sugarcane to the mills. We strongly support the activities of Worldwide Fund for Nature - Pakistan, run regular training and education programmes for water management and participate in tree plantation campaigns twice every year. Our approach to HSE is apparent in our Mission Zero Agenda that targets zero accidents and work-related illnesses. To effectively implement the mission zero agenda, we empower and encourage our people to play their part. We all have a part to play in keeping our workplaces safe. One of the most effective ways we can do this is by being aware of the risks around us and taking action to address these. That's why we actively encourage all our people to regularly assess their working environments and report any identified risks - as they arise. As a result, we have achieved 7.5 million safe working man hours without lost time injury.

To ensure a safe and healthy work environment, the Company is adapting its health and safety practices in line with the development of the pandemic. Within the Company premises stiff checking is ensured and measures also include categorization of staff essential to be present in office for uninterrupted operations, whereas the other staff is shifted to work-from-home wherever required. Technological developments have made the minimal physical interaction possible by conversion to virtual meetings.

Shakarganj is committed to providing a healthy and safe workplace for all personnel performing their duties on its behalf, in a manner that protects the environment, prevention of pollution, and compliance of applicable legal and other requirements. We remain committed to protecting the physical and mental health of our employees, extending the scope and coverage of occupational health services, and constantly improving our occupational health management system. At Shakarganj, health checks are organised on a regular basis for our employees. In addition, we keep health records of employees for better health management and disease prevention. We also pay close attention to a dedicated health support system and provide special disease checks to ensure the health and safety of our employees. We have also released the comprehensive Emergency Plan for incidents and accidents at Shakarganj, and have established a safety management and risk prevention system for the Company. We organise regular emergency drills to improve the plan, enhance awareness of prevention and self-help of the employees and improve the team's ability to handle emergencies.

Board of Directors & its Committees

The Board of Directors consists of eight members including seven male members and one female member. One of the members has resigned subsequent to the year end and new executive member has been appointed by the Board. During the year, six (6) meetings of the Board of Directors, five (5) meetings of the Audit Committee and one (1) meeting of Human Resource and Remuneration Committee were held.

Attendance of each director is also given below.

Category	Name of Director	Meeting Attended
Independent Directors	Mr. Sheikh Asim Rafiq Ms. Zahra Ahsan Saleem	5 5
Non-Executive Directors	Mr. Khalid Bashir Mr. Mian Muhammad Anwar Mr. Javed Anjum Outgoing Directors Mr. Yasir Ghaffar (Resigned on 24 October 2022)	5 6 6 4
Executive Directors	Mr. Anjum Muhammad Saleem (Chief Executive Officer) Mr. Ali Altaf Saleem (Deputy Chief Executive Officer) Mr. Muhammad Pervez Akhtar	6 6 -

The Board has formed committees comprising of members given below:

Name of Committee	Names of Members and Chairman	Meeting Attended
Audit Committee	Mr. Sheikh Asim Rafiq (Chairman) Mr. Khalid Bashir Ms. Zahra Ahsan Saleem Mr. Javed Anjum	5 4 4 5
Human Resource and Remuneration Committee	Ms. Zahra Ahsan Saleem (Chairperson) Mr. Mian Muhammad Anwar Mr. Khalid Bashir Mr. Anjum Muhammad Saleem	1 1 1 1

Casual vacancies were filled up as and when occurred on the Board.

As per threshold reviewed by the Board of Directors, the heads of all departments of the Company shall be considered as "executives".

Non-executive and Independent Director's Remuneration

The Board of Directors has approved a 'Directors' Remuneration Policy', the salient features of the approved policy are as follows:

- No Director shall determine his/her own remuneration.

- Meeting fee of a Director other than regular paid Chief Executive, Sponsors and or family Directors and full-time working Director(s), shall be amounting to Rs. 20,000 (twenty thousand rupees only) per meeting or as time to time determined by the Board for attending the Board and its Committee meetings.

- Directors shall also be entitled for all reasonable expenses including travelling, stay and other expenses incurred by them for attending meetings.

Performance Evaluation of Board of Directors and its Committees

- Human Resource and Remuneration Committee has assessed the performance of Board of Directors and its Committees based on the established mechanism of self-assessment by the individual Board or Committee members as the case may be. The above mechanism was approved by the Board on the recommendation of Human Resource and Remuneration Committee.

CEO's Performance Evaluation

During the year, the Human Resource and Remuneration Committee of the Board evaluated the performance of the CEO in line with the established performance-based evaluation system. The evaluation was reviewed against the following criteria:

- Leadership
- Policy and Strategy
- People Management
- Business Processes/Excellence
- Governance and Compliance
- Financial Performance
- Impact on Society

Subsequently, on the recommendation of the Committee, the evaluation was approved by the Board after their review.

Pattern of Shareholding and Shares Traded

The pattern of shareholding and additional information thereof is attached with this report. No trade in the shares of the Company was reported / carried out by the directors, executives and their spouses and minor children.

Financial Statements

As required under the accounting and reporting standards as applicable in Pakistan and as per the requirements of Companies Act, 2017 (XIX of 2017), the management is aware of its responsibility for the preparation and fair presentation of the financial statements 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. The Chief Executive Officer and Chief Financial Officer presented the financial statements, duly endorsed under their respective signatures, for consideration and approval of the Board of Directors and the Board, after consideration and approval, authorised the signing of financial statements for issuance and circulation. The financial statements of the Company have been duly audited and approved by the auditors of the Company, Riaz Ahmad & Co., Chartered Accountants and their report is attached with the financial statements. The Directors endorse the contents of this annual report and those shall form an integral part of the Directors' Report in terms of Section 227 of the

Companies Act, 2017 and the requirements of the Listed Companies (Code of Corporate Governance) Regulations 2017.

Dividend and Carried Forward

The Directors have not recommended the payment of dividend for the year ended 30 September 2022. Moreover, no amount is being carried forward to the general reserve or any other reserve funds account.

Subsequent Events

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which this Statement of Financial Position relates and the date of the Directors' Report.

Default in Payments, Debt or Loan

The Company recognizes its responsibility of timely repayments of due amount and adhering to the best practices prevails in the industry it is stated that no default in payment of any loan or debts was occurred during the year under review except as disclosed in financial statements.

Change in Nature of Business

No change has been occurred during the financial year relating to the nature of the business of the Company.

Related Party Transactions

All related party transactions are approved by the Board after review and recommendation of Audit Committee. The Company has made detailed disclosures about related party transactions in its financial statements annexed with this annual report. Such disclosure is in line with the requirements of the 4th Schedule to the Companies Act, 2017 and applicable International Financial Reporting Standards.

Financial Review and Going Concern Assumption

The Auditors have given adverse opinion and reported that the situation of liquidity indicates that a material uncertainity exist that may cast significant doubt on the Company's ability to continue as a going concern.

However, the Company has prepared its financial statements as a going concern, based on the Turn Around Plan of the Company. The Turn Around Plan is based on the statements provided by the company legal councils that the Stay Orders will be vacated after the hearing is started. The Company plans to sell its Bhone establishment and is hopeful that it will be able to pay off its liabilities during the next FY i.e. 2022-23.

Since last couple of years, the Company have faced huge losses and ultimately financial crunch. In current year, Company's sugarcane crushing was increased by almost 34% as compared to last year but heavy increase in sugarcane procurement cost as discussed above impacted significantly. Sugar Plants capacity utilization was not at optimal level. Our Bio-fuel Division also had not been fully operational since couple of years. Keeping in view the situation, management considering following measures to mitigate the situation:

- ➢ The Company is reviewing the possibility of selling agricultural land having market value of Rs. 755.547 million. For this purpose, approval of shareholders has been obtained in Annual General Meeting of the Company held on 28 February 2022 subject to further orders of Lahore High Court, Lahore and Sindh High Court, Karachi and subject to no objection from lenders. The proceeds through disposal of land will be utilized by the Company for upgradation of plant and machinery of textile and sugar divisions at Jhang.

- ➢ The management of the Company has firmed up a turnaround plan based on disposal of the Bhone Unit of the Company which includes Sugar and Biofuel divisions. Book value of freehold land, building and plant and machinery as at 30 September 2022 is Rs. 8.112 billion. Price discovery by the management for the whole Bhone Unit of the Company including related licenses / rights when built in the future plan results in debt free business, surplus funds and profits for the Company. The management has planned to seek required approvals from lenders, regulators and Honourable Court for roll out of the turnaround plan before the end of financial year 30 September 2023.

- The Company undertook significant operational measures during the year to improve its productivity. During the year, the Company has crushed 1,347,651 MT of sugarcane which has increased by almost 34% as compared to 1,006,075 MT of sugarcane crushed in the corresponding year and produced 126,112 MT of sugar in current season which has increased by more than 37% as compared to 91,837 MT of sugar in the corresponding year. Moreover, the Company produced 21,572,625 litres of biofuel during the year which has been increased by almost 42% as compared to 15,199,777 litres in the corresponding year. This will favorably affect the financial position and performance of the Company in the next year.

- The Company is in the process of installing the falling film evaporators. Falling film evaporators are alternative to Robert type evaporators and help to improve the optimization of the evaporator's station and energy efficiency of the plant. The percentage of steam's usage will be reduced by 9%. It would also increase the recovery ratio accordingly.

The Company remains committed to its best efforts to improve liquidity portion. The financial projections of the Company show improvements in cash generation and profits. The management considers that the measures as explained above would result in availability of adequate financial resources for the Company to sustain the continuity of its business for the foreseeable future and thus maintain its going concern status. Accordingly, these financial statements have been prepared on a going concern basis which assumes that the Company will continue to operate its business, realize its assets, and discharge its liabilities, in the normal course of business.

Future Outlook

Another challenging sugarcane crushing season has started with increased supporting price of Rs. 300 per 40 kg as notified by the Panjab Government. With some improvement in sugarcane cultivation area, your Company started with good recovery percentage of sugar. Inspite of worst flood in Pakistan, sugarcane crop remained one of the lowest effected crops in the region. Prevailing political scenario and inflationary pressure may also affect the businesses significantly. Company would try its best to increase recovery by crushing quality sugarcane with better margins. With the export permission, we expect some increase in sugar prices to maintained margins against increase support price of sugarcane. Our Biofuel business has also started positively this time and the management is planning to procure molasses in bulk to increase its exports further. Our textile businesses could not start operation due to overall situation in the yarn market and difficult business environments in the textile business. Company's management is taking all essential measures for continuity of business wherever possible and we are hopeful for better future.

Acknowledgment

The Directors wish to express their appreciation to the staff & workers of the Company for their dedication and devotion to the Company. The Directors feel pleasure in expressing appreciation for the continued interest and support of the shareholders, bankers and all other parties involved and hope that the same spirit will prevail in the future as well.

By Order of the Board

31 January 2023	Anjum Muhammad Saleem Chief Executive Officer	Ali Altaf Saleem Director

FINANCIAL HIGHLIGHTS

		2022	2021	2020	2019	2018	2017	2016
Profitability & Ratios Area:								
Net Sales	(Rs 000)	12,325,570	9,161,763	6,409,384	6,256,738	7,404,243	11,360,157	4,373,219
Cost of Sales	(Rs 000)	11,954,857	9,751,929	7,081,059	6,283,349	7,047,093	10,704,342	4,668,941
Gross Profit / (Loss)	(Rs 000)	370,713	(590,166)	(671,675)	(26,611)	357,150	655,815	(295,722)
Operating Profit/(Loss)	(Rs 000)	(66,036)	(954,369)	(293,219)	(448,715)	92,871	324,500	(140,704)
Profit / (Loss) Before Tax	(Rs 000)	(338,138)	(1,164,266)	(1,170,655)	(774,470)	158,161	350,012	(31,663)
Profit / (Loss) After Tax	(Rs 000)	(225,302)	(1,387,910)	(997,583)	(728,411)	(14,008)	210,819	(17,893)
Earnings/(Loss) Before Interest, Taxes, Depreciation & Amortization (EBITDA)	(Rs 000)	1,002,529	(391,280)	(262,493)	172,169	858,121	1,054,322	733,985
Gross Profit Ratio	(%)	3.01	(6.44)	(10.48)	(0.43)	4.82	5.77	(6.76)
Net Profit to Sales	(%)	(1.83)	(15.15)	(15.56)	(11.64)	(0.19)	1.86	(0.41)
EBITDA Margin to Sales (net)	(%)	0.08	(0.04)	(0.04)	0.03	0.12	0.09	0.17
Operating Leverage Ratio	(%)	(2.89)	(0.16)	35.90	14.43	0.89	1.53	0.68
Return on Capital Employed	(%)	(0.01)	(7.91)	(9.53)	(4.54)	4.08	7.66	(2.60)
Liquidity Ratios Area:								
Current Assets	(Rs 000)	1,128,230	1,177,334	1,246,767	992,065	1,485,414	1,599,932	814,003
Current Liabilities	(Rs 000)	4,578,725	4,831,358	4,556,514	4,170,356	4,052,096	3,962,002	4,567,308
Net Current Assets / (Liabilities)	(Rs 000)	(3,450,495)	(3,654,024)	(3,309,747)	(3,178,291)	(2,566,682)	(2,362,070)	(3,753,305)
Property, Plant and Equipment	(Rs 000)	15,451,699	16,166,485	9,745,632	10,253,780	10,825,661	8,487,270	8,987,560
Total Assets	(Rs 000)	18,562,005	19,135,860	12,724,256	13,467,068	14,307,132	11,270,752	10,839,796
Current Ratio	(Times)	0.25	0.24	0.27	0.24	0.37	0.40	0.18
Quick / Acid Test Ratio	(Times)	0.15	0.09	0.12	0.08	0.09	0.10	0.08
Cash to Current Liabilities	(%)	0.67	0.04	0.18	2.01	0.70	0.13	0.41
Cash Flow from Operations to Sales	(%)	7.07	5.13	11.03	17.47	4.07	(10.87)	13.70
Activity / Turnover Ratios Area:								
Inventory Turnover Ratio	(Times)	31.50	18.02	10.80	7.24	6.21	13.42	7.14
No. of days in Inventory	(Days)	11.59	20.26	33.80	50.38	58.82	27.21	51.09
Debtor Turnover Ratio	(Times)	166.71	64.43	54.16	167.95	71.49	125.62	200.06
No. of Days in Receivables / Average Collection Period	(Days)	2.19	5.66	6.74	2.17	5.11	2.91	1.82
Total Assets Turnover Ratio	(Times)	0.66	0.48	0.50	0.46	0.52	1.01	0.40
Fixed Assets Turnover Ratio	(Times)	0.80	0.57	0.66	0.61	0.68	1.34	0.49
Investment / Market Ratios Area:								
Earnings / (Loss) Per Share	(Rupees)	(1.80)	(11.10)	(7.98)	(5.83)	0.11	1.80	(0.16)
Dividend Yield Ratio	(%)	-	-	-	-	-	1.38	-
Dividend Payout Ratio	(%)	-	-	-	-	-	69.44	-
Dividend Cover Ratio	Times	-	-	-	-	-	1.44	-
Cash Dividend per Share	(Rupees)	-	-	-	-	-	1.25	-
Market Value Per Share at the Year End	(Rupees)	45.00	52.50	38.00	34.10	55.00	90.75	26.62
- Highest during the Year	(Rupees)	54.90	60.65	50.00	76.48	90.44	132.25	29.65
- Lowest during the Year	(Rupees)	36.50	29.70	30.17	26.25	54.15	22.50	10.75
Breakup Value Per Share Including Surplus on Revaluation of Fixed Assets	(Rupees)	84.07	89.77	54.87	63.67	69.46	49.09	45.14
Capital Structure Ratios Area:								
Shareholders' Equity (Without Surplus on revaluation of property, plant and Equipment)	(Rs 000)	251,766	(245,421)	770,716	1,601,612	1,857,468	1,416,858	(19,900)
Share Capital	(Rs 000)	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,100,000
Financial Leverage Ratio	Times	3.88	(5.51)	2.44	1.37	1.50	1.55	(80.80)
Weighted Average Cost of Debt	(%)	12.24	8.60	11.42	12.39	7.84	7.63	8.10
Long Term Debt : Equity Ratio	:	0.16	(1.70)	0.60	0.24	0.29	0.37	(32.10)
Interest Cover Ratio	(Times)	(0.01)	(3.23)	(2.46)	(1.34)	1.79	3.06	0.83

PRODUCTION DATA

Season	Duration Season (Days)	Cane Crushed (MT)	Raw Sugar Processed (MT)	Sugar Produced (MT)	Recovery (Percent)
2021-22	145	1,347,651		126,112	9.36
2020-21	114	1,006,075		91,837	9.13
2019-20	108	884,724		77,560	8.76
2018-19	83	484,762		49,016	10.13
2017-18	105	669,064		61,634	9.2
2016-17	145	1,543,849		144,460	9.36
2015-16	97	450,804		45,707	10.16
2014-15	129	615,394		59,905	9.73
2013-14	140	1,259,272		112,271	8.92
2012-13	135	1,409,811		133,753	9.49
2011-12	164	1,957,358		173,620	8.87
2010-11	136	1,567,361		141,549	9.01
2009-10	109	913,272		78,540	8.62
2008-09	110	784,056		71,600	9.13
2007-08	174	2,254,712		177,092	7.85
2006-07	155	1,587,929		128,170	8.04
2005-06	170	1,288,548	92,968.40	178,934	6.97
2004-05	160	1,324,510	67,930.40	177,679	8.63
2003-04	159	1,614,539		136,813	8.48
2002-03	196	1,675,370		127,060	7.58
2001-02	195	1,704,812		128,000	7.53
2000-01	161	1,054,992	27,811.59	105,550	7.5
1999-00	144	524,377		39,965	7.63
1998-99	157	1,350,119		101,479	7.51
1997-98	163	1,434,389		112,430	7.85
1996-97	176	1,036,955		79,740	7.69
1995-96	151	763,316		60,285	7.92
1994-95	157	1,057,036		86,075	8.11
1993-94	196	1,203,371		88,117	7.34
1992-93	161	691,839		54,055	7.85
1991-92	174	746,506		63,986	8.57
1990-91	204	866,552		65,537	7.56
1989-90	187	708,632		57,912	8.17
1988-89	170	446,325		36,367	7.7
1987-88	193	698,605		55,726	7.98
1986-87	149	333,601		27,899	8.36
1985-86	113	237,602		20,625	8.66
1984-85	168	441,718		39,523	8.96
1983-84	173	427,169		35,501	8.31
1982-83	173	361,291		29,440	8.16
1981-82	207	466,040		39,474	8.47
1980-81	187	287,723		25,562	8.89
1979-80	112	61,207		5,619	8.95
1978-79	114	107,106		9,267	8.8
1977-78	177	319,960		27,620	8.61
1976-77	166	308,987		26,086	8.45
1975-76	157	246,394		18,865	7.61
1974-75	107	104,069		8,253	8.3
1973-74	101	87,825		5,477	6.28

Process Losses (Percent)	Process Molasses (MT)	Biofuel (Litres)	Building Materials (m3)	Yarn (Bags)	Bio Power (MWh)
2.11	59,655	21,572,625			
2.01	48,153	15,199,777		67,915	
2.02	40,229	9,816,686		36,930	
2.22	22,458	15,164,206		102,978	
2.17	31,025	56,728,278		76,107	
2.12	68,086	41,621,230	1,578	75,559	
2.06	19,295	10,201,684		72,776	
2.15	27,270	46,134,870		95,719	10,702
2.07	55,817	76,377,765	6,096	112,846	12,857
2.16	61,450	63,372,339	6,894	146,466	22,865
2.2	93,575	93,796,731	8,789	149,872	27,779
2.02	70,505	68,860,824	5,920	86,209	21,826
2.05	40,901	22,669,768	3,562	149,878	27,292
1.95	33 ,070	33,319,694	1,643	148,426	23,542
2.17	117,742	66,490,739	6,540	149,788	17,714
2.3	79,340	35,093,676	1,834	135,935	
2.54	71,008	27,625,611	1,477	133,580	
2.17	66,190	33,245,964	3,584	119,106	
2.41	81,953	35,408,000	5,141	119,922	
2.36	84,277	26,233,000	1,668	109,096	
2.42	91,890	15,800,156	5,670	96,326	
2.31	53,601	10,469,000	1,571	82,063	
2.2	24,243	4,967,000	497	96,999	
2.23	61,756	5,324,756	1,922	103,555	
2.38	73,477	6,350,000	2,784	85,259	
2.5	54,711	6,015,000		98,406	
2.65	39,397	2,573,700	2,118	83,542	
2.77	53,172	5,460,000	5,299	73,938	
2.65	60,150	5,250,076	4,335	50,880	
2.68	35,980	4,887,020	1,663	115,488	
2.53	37,710	4,525,900	3,360	117,902	
2.59	47,135	3,422,204	643	113,341	
2.31	33,180	3,030,217		97,388	
2.44	22,410				
2.61	38,740	308,494			
2.24	15,060	1,855,809			
2.29	11,470	20,239			
2.38	22,580				
2.4	21,860				
2.44	16,255				
2.48	21,255				
2.42	13,373				
2.25	2,358				
2.27	4,147				
2.44	14,103				
2.67	15,228				
2.68	11,424				
2.75	4,182				
3.57	4,726				

STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company	:	SHAKARGANJ LIMITED
Year Ended	:	30 September 2022

Shakarganj Limited (the company) has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) in the following manner:

1. The total number of directors are eight as per the following:
   a. Male : Seven
   b. Female : One
2. The composition of the Board of Directors (the Board) is as follows

Category	Names
Independent Directors*	Mr. Shaikh Asim Rafiq Ms. Zahra Ahsan Saleem (female)
Executive Directors	Mr. Anjum Muhammad Saleem (Chief Executive Officer) Mr. Ali Altaf Saleem (Deputy Chief Executive Officer)
Non-Executive Directors	Mr. Mian Muhammad Anwar Mr. Javed Anjum Mr. Khalid Bashir Mr. Yasir Ghaffar**

*The company could not round up independent directors' fraction due to challenges in inducting further independent directors. The company will strive to fill this gap at the earliest.

** Mr. Yasir Ghaffar has resigned with effect from 24 October 2022. Subsequently appointment of Mr. Muhammad Pervez Akhtar has been made on 12 January 2023.

3. Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this company.

4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations.

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

8. The Board of Directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. The Board has already arranged Directors' Training program for the following:

    1. Mr. Ali Altaf Saleem
    2. Mr. Sheikh Asim Rafiq
    3. Mr. Javed Anjum
    4. Mr. Yasir Ghaffar (Resigned with effect from 24 October 2022)

Moreover, our following three directors meet the exemption criteria of minimum 14 years education and 15 years of experience on the boards of listed companies, hence exempt from Directors' Training Program:

    1. Mr. Mian Muhammad Anwar
    2. Mr. Khalid Bashir
    3. Mr. Anjum Muhammad Saleem

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.

12. The Board has formed committees comprising of members given below:

a) Audit Committee

Mr. Sheikh Asim Rafiq	(Chairman)
Mr. Khalid Bashir	(Member)
Mr. Javed Anjum	(Member)
Ms. Zahra Ahsan Saleem	(Member)

b) HR and Remuneration Committee

Ms. Zahra Ahsan Saleem	(Chairperson)
Mr. Khalid Bashir	(Member)
Mr. Mian Muhammad Anwar	(Member)
Mr. Anjum Muhammad Saleem	(Member)

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings of the aforesaid committees were as per following:

a) Audit Committee: Five meetings during the financial year ended 30 September 2022.

b) HR and Remuneration Committee: One meeting was held during the financial year ended 30 September 2022.

15. The Board has set up an effective outsourced internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company secretary or Director of the company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with and all other requirements of the Regulations have been complied with.

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Non-Mandatory Requirement	Reg. No.	Explanation
Directors' training It is encouraged that by 30 June 2022, all directors on the Board have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	19(1)	The Independent Director Ms. Zahra Ahsan Saleem could not attend the directors' training program due to tight schedule. However, Company is arranging directors' training program for her as early as possible.
Nomination Committee: The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29(1)	The Board has not constituted separate Nomination Committee and currently functions required to be performed by nomination committee are being dealt with by HR & R Committee.
Risk Management Committee: The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	30(1)	The Board has not constituted separate Risk Management Committee and currently functions required to be performed by such committee are being performed by the Board.

By Order of the Board

31 January 2023

Anjum Muhammad Saleem
Chief Executive Officer

Ali Altaf Saleem
Director

Riaz Ahmad & Company
Chartered Accountants

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Independent Auditor's Review Report

To the members of Shakarganj Limited

Review Report on the Statement of Compliance contained in

Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Shakarganj Limited (the Company) for the year ended 30 September 2022 in accordance with the requirements of regulation 36 of the Regulations.

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

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

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. 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 30 September 2022.

Riaz Ahmad & Co.

RIAZ AHMAD & COMPANY
Chartered Accountants

Faisalabad
01 February 2023
UDIN: CR202210184J6Bvb18Iq

A member of Nexia International

Shakarganj Limited

Financial Statements (Unconsolidated)

For The Year Ended
30 September 2022

Riaz Ahmad & Company
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the members of Shakarganj Limited

Report on the Audit of the Financial Statements

Adverse Opinion

We have audited the annexed financial statements of Shakarganj Limited (the Company), which comprise the statement of financial position as at 30 September 2022, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters discussed in the *Basis for Adverse Opinion* section of our report, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not give a true and fair view of state of the Company's affairs as at 30 September 2022 and of the loss, other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion

The Company has suffered loss after taxation of Rs. 225.302 million during the current year and has accumulated losses of Rs. 3,266.419 million as at the reporting date. The current liabilities of the Company exceeded its current assets by Rs. 3,450.495 million. The Company has overdue statutory obligations. The textile segment of the Company remained closed during the whole year. The management of the Company has firmed up a turnaround plan based on disposal of the Bhone Unit of the Company which includes Sugar and Biofuel divisions. However, we noted that certain shareholders of the Company have filed petitions in Sindh High Court, Karachi and Lahore High Court, Lahore and obtained stay on 29 November 2021 and 25 February 2022 respectively from the respective Courts regarding the approval of disposal of certain agricultural land of the Company. As the going concern assumption used in preparation of the financial statements is dependent upon roll out of the aforesaid turnaround plan and whose roll out requires prior approval of shareholders of the Company in their general meeting and such approval of shareholders and disposal of the Bhone Unit is unlikely in current litigation scenario, hence this situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not adequately disclose this fact.

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's*

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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 adverse opinion.

Key Audit Matters

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the financial statements of the current period. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. In addition to the matter described in the *Basis for Adverse Opinion* section we have determined the matters described below to be the key audit matters to be communicated in our report.

Following are the Key audit matters:

S.No.	Key audit matters	How the matters were addressed in our audit
1.	Contingencies As disclosed in Note 11 to the accompanying financial statements, the Company has contingent liabilities in respect of various matters, which are pending adjudication before respective authorities and courts of law. Contingencies require management to make judgments and estimates in relation to the interpretation of laws, statutory rules and regulations, and the probability of outcome and financial impact, if any, on the Company for disclosure and recognition and measurement of any provisions that may be required against such contingencies in accordance with applicable financial reporting standards. Due to significance of amounts involved, uncertainties with respect to the outcome of matters and use of significant management judgments and estimates to assess the same including related financial impacts, we considered this as a key audit matter. For further information on contingencies, refer to the following: - Summary of significant accounting policies, Contingent liabilities (Note 2.18 and Note 2.1(c) to the financial statements). Contingencies [Note 11(a)] to the financial statements.	Our audit procedures among others included obtaining an understanding of the process and controls on this area relevant to our audit. Further, we have: • Obtained and reviewed detail of the pending matters and discussed the same with the Company's management; • Reviewed the correspondence of the Company with the relevant authorities, tax and legal advisors, including judgments or orders passed by the competent authorities in relation to the issues involved or matters which have similarities with the issues involved; • Obtained and reviewed confirmations from the Company's external tax and legal advisors for their views on the probable outcome of the open tax assessments and other contingencies. • Involved internal tax professionals to assess reasonability of management's conclusions on such pending matters; • Reviewed and 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.

2.	Revenue Recognition The Company recognized revenue of Rs. 12,325.570 million for the year ended 30 September 2022. We identified recognition of revenue as a key audit matter because revenue is one of the key performance indicators of the Company and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets. For further information on revenue recognition, refer to the following: - Summary of significant accounting policies, Revenue from contracts with customers (Note 2.2 to the financial statements). - Revenue from contracts with customers (Note 23 to the financial statements).	• Our procedures included, but were not limited to: • We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue; • We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents; • We compared a sample of revenue transactions recorded around the year- end with the sales orders, sales invoices, delivery documents and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period; • We assessed whether the accounting policies for revenue recognition complies with the requirements of IFRS 15 'Revenue from Contracts with Customers'; • We also considered the appropriateness of disclosures in the financial statements.

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

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Because of the significance of the matter discussed in the *Basis for Adverse Opinion* section of our report, we have concluded that the other information is materially misstated for the same reasons.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

a) except for the effects of the matter discussed in the *Basis for Adverse 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 effects of the matter discussed in the *Basis for Adverse Opinion* section of our report, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) except for the effects of the matter discussed in the *Basis for Adverse Opinion* section of our report, investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Liaqat Ali Panwar.

Riaz Ahmad & Co.

Faisalabad
01 February 2023
UDIN: AR202210184LsPNHB731

Riaz Ahmad & Co.
Chartered Accountants

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2022

	NOTE	2022	2021
		Rupees in thousand	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
150 000 000 (2021: 150 000 000) ordinary shares of Rs. 10 each		1,500,000	1,500,000
50 000 000 (2021: 50 000 000) preference shares of Rs. 10 each		500,000	500,000
		2,000,000	2,000,000
Issued, subscribed and paid up share capital	3	1,250,000	1,250,000
Reserves			
Capital reserves			
Surplus on revaluation of property, plant and equipment - net of deferred income tax	4	10,256,630	11,466,335
Other capital reserves	4	1,751,879	1,650,092
		12,008,509	13,116,427
Revenue reserve - General		516,306	516,306
		12,524,815	13,632,733
Accumulated loss		(3,266,419)	(3,661,819)
Total equity		10,508,396	11,220,914
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	5	-	-
Employees' retirement benefits	6	421,960	219,112
Deferred income tax liability	7	3,052,924	2,864,476
		3,474,884	3,083,588
CURRENT LIABILITIES			
Trade and other payables	8	3,409,852	3,336,841
Short term borrowings	9	935,000	935,000
Accrued mark-up	10	52,735	56,524
Current portion of non-current liabilities		41,413	416,938
Unclaimed dividend		1,916	1,944
Provision for taxation		137,809	84,111
		4,578,725	4,831,358
TOTAL LIABILITIES		8,053,609	7,914,946
CONTINGENCIES AND COMMITMENTS	11		
TOTAL EQUITY AND LIABILITIES		18,562,005	19,135,860

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

Chief Executive Officer

	NOTE	2022	2021
		Rupees in thousand	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	12	15,451,699	16,166,485
Biological assets	13	30,204	18,333
Long term investments	14	1,915,737	1,737,573
Long term advances and deposits	15	36,135	36,135
		17,433,775	17,958,526
CURRENT ASSETS			
Biological assets	13	2,881	16,232
Stores, spare parts and loose tools	16	52,018	50,572
Stock-in-trade	17	295,242	361,197
Trade debts	18	65,085	82,781
Loans and advances	19	269,946	44,955
Prepayments and other receivables	20	322,171	284,512
Cash and bank balances	21	30,639	1,905
		1,037,982	842,154
Non-current assets held for sale	22	90,248	335,180
		1,128,230	1,177,334
TOTAL ASSETS		18,562,005	19,135,860

Director

Chief Financial Officer

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	NOTE	2022	2021
		Rupees in thousand	
Revenue from contracts with customers	23	12,325,570	9,161,763
Cost of sales	24	(11,954,857)	(9,751,929)
Gross profit / (loss)		370,713	(590,166)
Distribution cost	25	(184,194)	(119,449)
Administrative expenses	26	(378,003)	(365,910)
Other expenses	27	(19,817)	(83,754)
Other income	28	145,265	204,910
Loss from operations		(66,036)	(954,369)
Finance cost	29	(336,298)	(275,025)
Share of profit from equity accounted investee	14.1	64,196	65,128
Loss before taxation		(338,138)	(1,164,266)
Taxation	30	112,836	(223,644)
Loss after taxation		(225,302)	(1,387,910)
Loss per share - Basic and diluted (Rupees)	31	(1.80)	(11.10)

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

Chief Executive Officer　　Director　　Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	2022	2021
	Rupees in thousand	
LOSS AFTER TAXATION	(225,302)	(1,387,910)
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified subsequently to profit or loss:		
Remeasurements of defined benefit obligations	(161,928)	(40,913)
Related deferred income tax liability	45,608	9,755
	(116,320)	(31,158)
Deficit arising on remeasurement of investments at fair value through other comprehensive income	(3,323)	(3,123)
Deferred income tax relating to investments at fair value through other comprehensive income	1,509	-
	(1,814)	(3,123)
Share of other comprehensive income / (loss) of equity accounted investee	128,923	(3,435)
Surplus on revaluation of property, plant and equipment - net	-	7,624,939
Related deferred income tax liability	-	(1,713,330)
	-	5,911,609
	10,789	5,873,893
Items that may be reclassified subsequently to statement of profit or loss	-	-
Other comprehensive income for the year - net of deferred income tax	10,789	5,873,893
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR	(214,513)	4,485,983

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

Chief Executive Officer

Director

Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	SHARE CAPITAL	RESERVES											ACCUMULA-TED LOSS	TOTAL EQUITY
		CAPITAL RESERVES						REVENUE RESERVES				TOTAL		
		Premium on issue of right shares	Share in capital reserves of equity accounted investee	Fair value reserve of investments at fair value through other comprehensive income	Difference of capital under scheme of arrangement of merger	Surplus on revaluation of property, plant and equipment - net of deferred income tax	Sub total	General	Dividend equalization	Equity investment market value equalization	Sub total			
	Rupees in thousand													
Balance as at 01 October 2020	1,250,000	1,056,373	472,496	(7,898)	155,930	6,087,758	7,764,659	410,606	22,700	83,000	516,306	8,280,965	(2,672,491)	6,858,474
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	-	(247,404)	(247,404)	-	-	-	-	(247,404)	247,404	-
Adjustment of deferred income tax liability due to re-assessment at year end	-	-	-	-	-	(123,543)	(123,543)	-	-	-	-	(123,543)	-	(123,543)
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment - net of deferred income tax	-	-	-	-	-	(162,085)	(162,085)	-	-	-	-	(162,085)	162,085	-
Incremental depreciation of property, plant and equipment of equity accounted investee - net of deferred income tax	-	-	(23,686)	-	-	-	(23,686)	-	-	-	-	(23,686)	23,686	-
Transfer from dividend equalization reserve to general reserve	-	-	-	-	-	-	-	22,700	(22,700)	-	-	-		
Transfer from equity investment market value equalization reserve to general reserve	-	-	-	-	-	-	-	83,000	-	(83,000)	-	-		
Loss after taxation for the year	-	-	-	-	-	-	-	-	-	-	-	-	(1,387,910)	(1,387,910)
Other comprehensive income for the year	-	-	-	(3,123)	-	5,911,609	5,908,486	-	-	-	-	5,908,486	(34,593)	5,873,893
Total comprehensive income for the year	-	-	-	(3,123)	-	5,911,609	5,908,486	-	-	-	-	5,908,486	(1,422,503)	4,485,983
Balance as at 30 September 2021	1,250,000	1,056,373	448,810	(11,021)	155,930	11,466,335	13,116,427	516,306	-	-	516,306	13,632,733	(3,661,819)	11,220,914
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	-	(607,168)	(607,168)	-	-	-	-	(607,168)	607,168	-
Adjustment of deferred income tax liability due to re-assessment at year end	-	-	-	-	-	(486,373)	(486,373)	-	-	-	-	(486,373)	-	(486,373)
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment - net of deferred income tax	-	-	-	-	-	(116,164)	(116,164)	-	-	-	-	(116,164)	116,164	-
Incremental depreciation of property, plant and equipment of equity accounted investee - net of deferred income tax	-	-	(22,293)	-	-	-	(22,293)	-	-	-	-	(22,293)	22,293	-
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment of equity accounted investee - net of deferred income tax	-	-	(7,803)	-	-	-	(7,803)	-	-	-	-	(7,803)	7,803	-
Early settlement of convertible loan of equity accounted investee	-	-	-	-	-	-	-	-	-	-	-	-	(11,632)	(11,632)
Loss after taxation for the year	-	-	-	-	-	-	-	-	-	-	-	-	(225,302)	(225,302)
Other comprehensive income for the year	-	-	133,697	(1,814)	-	-	131,883	-	-	-	-	131,883	(121,094)	10,789
Total comprehensive loss for the year	-	-	133,697	(1,814)	-	-	131,883	-	-	-	-	131,883	(346,396)	(214,513)
Balance as at 30 September 2022	1,250,000	1,056,373	552,411	(12,835)	155,930	10,256,630	12,008,509	516,306	-	-	516,306	12,524,815	(3,266,419)	10,508,396

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

Chief Executive Officer

Director

Chief Financial Officer

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	NOTE	2022	2021
		Rupees in thousand	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	32	871,301	470,436
Finance cost paid		(333,254)	(259,434)
Income tax paid		(84,274)	(65,761)
Net increase in long term advances and deposits		-	(2,100)
Employees' retirement benefits paid		(25,292)	(29,293)
Net cash generated from operating activities		428,481	113,848
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(244,041)	(93,369)
Proceeds from sale of property, plant and equipment		45,248	153,366
Proceeds from sale of non-current assets held for sale		174,599	352,501
Net cash (used in) / from investing activities		(24,194)	412,498
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(375,525)	(217,532)
Proceeds from long term financing		-	165,700
Short term borrowings - net		-	(480,698)
Dividend paid		(28)	(10)
Net cash used in financing activities		(375,553)	(532,540)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		28,734	(6,194)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		1,905	8,099
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	21	30,639	1,905

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

Chief Executive Officer

Director

Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

1. THE COMPANY AND ITS OPERATIONS

Shakarganj Limited (the Company) is a public limited company incorporated on 20 September 1967 in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. It is principally engaged in manufacture, purchase and sale of sugar, biofuel and yarn. The Company has its principal manufacturing facilities at Jhang and satellite manufacturing facilities at Bhone. The registered office of the Company is situated at E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg-III, Lahore.

1.1 Geographical locations and addresses of all business units of the Company except for the registered office are as follows:

Manufacturing units and offices	Address
Jhang Unit (Sugar, biofuel and textile)	5 KM Toba Tek Singh Road, Jhang
Bhone Unit (Sugar and biofuel)	63 KM Jhang - Sargodha Road, Bhone, Tehsil and District Jhang
Liaison Office	Nishatabad, Chak Jhumra Road, Faisalabad

1.2 These financial statements are the separate financial statements of the Company. Consolidated financial statements are prepared separately. Detail of the Company's investment in subsidiary as equity accounted investee is stated in Note 14 to these financial statements.

1.3 Going concern assumption

The Company has suffered loss after taxation of Rs. 225.302 million and its accumulated losses are of Rs. 3,266.419 million as at 30 September 2022. The current liabilities of the Company exceeded its current assets by Rs. 3,450.495 million. Moreover, the Company has overdue statutory obligations. Furthermore Textile segment of the Company remained closed during the whole year. Certain shareholders of the Company have applied to Sindh High Court, Karachi and Lahore High Court, Lahore and obtained stay on 29 November 2021 and 25 February 2022 respectively from the respective courts regarding the approval of disposal of certain agricultural land of the Company. These factors indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, these financial statements have been prepared on going concern basis due to following reasons:

- The Company is making arrangements to sell its agriculture land having market value of Rs. 755.547 million. For this purpose, approval of shareholders has been obtained in Annual General Meeting of the Company held on 28 February 2022 subject to further orders of Lahore High Court, Lahore and Sindh High Court, Karachi along with no objection from lenders. The proceeds through disposal of land will be utilized by the Company to pay to sugarcane growers and to settle the other liabilities of the Company while the remaining proceeds will be utilized for upgradation of plant and machinery of textile and sugar divisions at Jhang.

- The management of the Company has firmed up a turnaround plan based on disposal of the Bhone Unit of the Company which includes Sugar and Biofuel divisions. Book value of freehold land, building and plant and machinery as at 30 September 2022 is Rs. 8.112 billion. Price discovery by the management for the whole Bhone Unit of the Company including related licenses / rights when built in the future plan results in debt free business, surplus funds and profits for the Company. The management has planned to seek required approvals for roll out of the turnaround plan before the end of financial year 30 September 2023.

- One of the largest shareholders of the Company has affirmed its commitment to fully financially support the Company, in case of any need.

- The Company undertook significant operational measures during the year to improve its productivity. During the year, the Company has crushed 1 347 651 MT of sugarcane which has increased by almost 34% as compared to 1 006 075 MT of sugarcane crushed in the corresponding year and produced 126 112 MT of sugar in current season which has increased by more than 37% as compared to 91 837 MT of sugar in the corresponding year. Moreover the Company produced 21 572 625 litres of biofuel during the year which has been increased by almost 42% as compared to 15 199 777 litres in the corresponding year. This will favorably affect the financial position and performance of the Company in the next year.

- The Company is in the process of installing the falling film evaporators. Falling film evaporators are alternative to Robert type evaporators and help to improve the optimization of the evaporator's station and energy efficiency of the plant. The percentage of steam's usage will be reduced by 9%. It would also increase the recovery ratio accordingly.

- The Company remains committed to its best efforts to improve liquidity position. The financial projections of the Company show improvements in cash generation and profits. The management considers that the measures as explained above would result in availability of adequate financial resources for the Company to sustain the continuity of its business for the foreseeable future and thus maintain its going concern status. Accordingly, these financial statements have been prepared on a going concern basis which assumes that the Company will continue to operate its business, realize its assets, and discharge its liabilities, in the normal course of business.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

2.1 Basis of preparation

a) Statement of compliance

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

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

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

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

b) Accounting convention

These financial statements have been prepared under the historical cost convention except as otherwise stated in the respective accounting policies.

c) Critical accounting estimates and judgments

The preparation of these financial statements in conformity with the approved accounting and reporting standards, as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates underlying the assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Information about the judgements made by the management in the application of accounting policies, that have the most significant affect on the amounts recognized in these financial statements, assumptions and estimation uncertainties with significant risk of material adjustment to the carrying amount of assets and liabilities in the next year are as follows:

Useful lives, patterns of economic benefits and impairments

The estimates for revalued amounts of different classes of property, plant and equipment are based on valuation performed by external professional valuer and recommendations of technical teams of the Company. The said recommendations also include estimates with respect to residual values and depreciable lives. Further, the Company reviews the value of the assets for possible impairment on an annual basis. Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Company. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

Inventories

Net realizable value of inventories is determined with reference to currently prevailing selling prices less estimated expenditure to make sales. Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions.

Taxation

In making the estimates for income tax currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on the tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date. Deferred income tax assets are recognized for deductible temporary differences only if the Company considers it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, based on the Company's experience of actual credit loss in past years.

Revenue from contracts with customers involving sale of goods

When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Provision for obsolescence of stores, spare parts and loose tools

The Company reviews the carrying amount of stores, spare parts and loose tools on regular basis and provision for obsolescence is made if there is any change in usage pattern and physical form of stores, spare parts and loose tools.

Employees' retirement benefits

Certain actuarial assumptions have been adopted as disclosed in Note 6 to the financial statements for determination of present value of defined benefit obligations. Changes in these assumptions in future years may affect the liability under these schemes in those years.

Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

Contingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on the judgment and the advice of the legal and tax advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of financial position date.

d) Amendments to published approved accounting standards that are effective in current year and are relevant to the Company

Following amendments to published approved accounting standards are mandatory for the Company's accounting periods beginning on or after 01 October 2021:

• IFRS 16 (Amendments) 'Leases';

• Interest Rate Benchmark Reform – Phase 2 which amended IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement', IFRS 7 'Financial Instruments: Disclosures' and IFRS 16 'Leases'.

The above-mentioned amendments to approved accounting standards did not have any impact on the amounts recognized in prior period and are not expected to significantly affect the current or future periods.

e) Amendments to published approved accounting standards that are effective in current year but not relevant to the Company

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 October 2021 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

f) Amendments to published approved accounting standards that are not yet effective but relevant to the Company

Following amendments to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 01 October 2022 or later periods:

Classification of liabilities as current or non-current (Amendments to IAS 1 'Presentation of Financial Statements') effective for the annual period beginning on or after 01 January 2023. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as noncurrent by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply these amendments retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets') effective for the annual period beginning on or after 01 January 2022 amends IAS 1 'Presentation of Financial Statements' by mainly adding paragraphs which clarifies what comprise the cost of fulfilling a contract. Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16 'Property, Plant and Equipment') effective for the annual period beginning on or after 01 January 2022 clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable standards. The entity measures the cost of those items applying the measurement requirements of IAS 2 'Inventories'. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

Following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 01 January 2022:

IFRS 9 'Financial Instruments' – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to de-recognize a financial liability.

IFRS 16 'Leases' – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 'Leases' by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.

IAS 41 'Agriculture' - the amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

Disclosure of Accounting Policies (Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Making Materiality Judgement') effective for annual periods beginning on or after 01 January 2023. These amendments are intended to help preparers in deciding which accounting policies to disclose in their financial statements. Earlier, IAS 1 stated that an entity shall disclose its 'significant accounting policies' in their financial statements. These amendments shall assist the entities to disclose their 'material accounting policies' in their financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 'Income taxes') effective for annual periods beginning on or after 01 January 2023. These amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations.

Change in definition of Accounting Estimate (Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors) effective for annual periods beginning on or after 01 January 2023. This change replaced the definition of Accounting Estimate with a new definition, intended to help entities to distinguish between accounting policies and accounting estimates.

On 31 October 2022, the IASB issued 'Non-Current Liabilities with Covenants (Amendments to IAS 1)' to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments are effective for reporting periods beginning on or after 1 January 2024.

On 22 September 2022, the IASB issued 'Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)' with amendments that clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments are effective for annual periods beginning on or after 1 January 2024.

The IASB has published 'Reference to the Conceptual Framework (Amendments to IFRS 3)' with amendments to IFRS 3 'Business Combinations' that update an outdated reference in IFRS 3 without significantly changing its requirements. Effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 01 January 2022. The amendments also add to IFRS 3 an exception to its requirement for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' (deferred indefinitely) to clarify the treatment of the sale or contribution of assets from an investor to its associates or joint venture, as follows: require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 'Business Combinations'); require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the unrelated investors' interests in that associate or joint venture. These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occur by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

The above amendments and improvements are likely to have no significant impact on the financial statements.

g) Standards and amendments to approved published standards that are not yet effective and not considered relevant to the Company

There are other standards and amendments to published approved standards that are mandatory for accounting periods beginning on or after 01 October 2022 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

2.2 Revenue from contracts with customers

i) Revenue recognition

Sale of goods

Revenue from the sale of goods is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Interest

Interest income is recognized as interest accrues using the effective interest method. This is a method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rent

Revenue is recognized when rent is accrued.

Dividend

Dividend on equity investments is recognized when right to receive the dividend is established.

Other revenue

Other revenue is recognized when it is received or when the right to receive payment is established.

ii) Contract assets

Contract assets arise when the Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

iii) Contract liabilities

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company satisfies its performance obligations under the contract.

iv) Refund liabilities

Refund liabilities are recognized where the Company receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Company does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances.

v) Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

2.3 Financial Instruments

i) Recognition, classification and measurement of financial instruments

Investments and other financial assets

a) Classification

The Company classifies its financial assets in the following measurement categories:

• those to be measured subsequently at fair value through other comprehensive income, and
• those to be measured at amortized cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following measurement category:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on de-recognition is recognized directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses.

Equity instruments

The Company subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3). The Company classifies its equity instruments into following measurement category:

Fair Value Through Other Comprehensive Income (FVTOCI)

Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value. Dividend from such investments is recognized in statement of profit or loss as other income when the Company's right to receive payments is established.

Financial liabilities

Classification and measurement

Financial liabilities are classified at amortized cost. These are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss.

iii) Impairment of financial assets

The Company recognizes loss allowances for ECLs on financial assets measured at amortized cost. The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

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

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

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

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

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

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

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the debtor will enter bankruptcy or other financial reorganization.

iv) De-recognition of financial assets and financial liabilities

Financial assets

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such de-recognized financial asset that is created or retained by the Company is recognized as a separate asset or liability.

Financial liabilities

The Company de-recognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expired. Any gain or loss on de-recognition is included in profit or loss.

v) Offsetting of financial instruments

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

2.4 Taxation

Current

The current tax charge as calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. 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 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 period when the differences reverse based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is charged or credited in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.5 Property, plant and equipment

Property, plant and equipment except freehold land, building, plant and machinery are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at revalued amount less any identified impairment loss. Building, plant and machinery are stated at revalued amount less accumulated depreciation and any identified impairment loss. Cost of the property, plant and equipment consists of historical cost pertaining to erection / construction period of qualifying assets and other directly attributable costs of bringing the asset to working condition.

Increases in the carrying amount arising on revaluation of property, plant and equipment are credited to surplus on revaluation of property, plant and equipment. 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 the revalued carrying amount of the asset charged to the statement of profit or loss, and depreciation based on the asset's original cost is transferred from 'surplus on revaluation of property, plant and equipment' to 'accumulated loss'. All transfers to / from surplus on revaluation of property, plant and equipment are net of applicable deferred income tax. Valuations are performed frequently enough to ensure that the fair value of the revalued assets does not differ materially from its carrying amount.

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. All other repair and maintenance costs are charged to income during the period in which these are incurred.

Capital work-in-progress is stated at cost less any recognized impairment loss. Cost includes expenditure and advances directly attributable to the acquisition of the asset and those incurred during installation and construction period. These are transferred to relevant property, plant and equipment as and when assets are available for use.

Depreciation

Depreciation on property, plant and equipment is charged to statement of statement of profit or loss on the reducing balance method so as to write off the cost of an asset over its estimated useful life at the annual rates given in Note 12.1 after taking into account the impact of their residual values, if considered significant. The assets' residual values and useful lives are reviewed by the management, at each financial year-end and adjusted if impact on depreciation is significant.

Depreciation on additions to property, plant and equipment is charged from the month in which the asset is acquired or capitalized, while no depreciation is charged for the month in which the asset is disposed of.

De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal or retirement of an asset is recognized as an income or expense.

2.6 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairments, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the statement of profit or loss.

2.7 Biological assets

Biological assets comprise of standing crops and livestock. These are stated at fair value less estimated point-of-sale costs, with any resultant gain or loss recognized in the statement of profit or loss. The fair value of standing crops is based on the support price fixed by the Government and other factors such as estimated crop yield and area under cultivation. The fair value of livestock is estimated on the basis of market prices of livestock of similar age, breed and genetic merit. Point-of-sale costs include all costs that are necessary to sell the assets, excluding costs necessary to get the assets to the market.

2.8 Inventories

Inventories, except for stock in transit and waste stock, are stated at lower of cost and net realizable value. Cost is determined as follows:

Stores, spare parts and loose tools

Usable stores, spare parts and loose tools are valued principally at moving average cost, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon up to the reporting date. Provision is made in the financial statements for obsolete and slow moving stores and spares based on management's estimate as a result of changes in usage pattern and physical form.

Stock-in-trade

Stock of raw materials is valued at the weighted average cost. Cost of work-in-process and finished goods comprises cost of direct materials, labour and appropriate manufacturing overheads. Cost of own produced molasses, a by product, is determined on the basis of monthly average cost of molasses purchased from third parties in the relevant months when molasses is produced. Cost of stillage, a by product of the Biofuel Plant, used in the generation of electricity by the Power division is valued at Nil as it does not have any market value.

Materials in transit are stated at cost comprising invoice values plus other charges paid thereon up to the reporting date. Waste stock is valued at net realizable value.

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

2.9 Trade debts and other receivables

Trade debts are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any allowance for expected credit losses.

Other receivables are recognized at amortized cost, less any allowance for expected credit losses.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

2.11 Share capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

2.12 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred and are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit or loss over the period of the borrowings using the effective interest method.

2.13 Government grants

Government grants are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all conditions of the grant. The benefit of a Government loan at a below-market rate of interest is treated as a Government grant.

Government grants relating to costs are deferred and recognized in the profit or loss over the period necessary to match them with the costs that these are intended to compensate.

2.14 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value and are subsequently measured at amortized cost using the effective interest method.

2.15 Provisions

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

2.16 Functional and presentation currency along with foreign currency transactions and translation

These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. All monetary assets and liabilities in foreign currencies are translated into Pak Rs. at exchange rates at the reporting date. Transactions in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are charged or credited to statement of profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into Pak Rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into Pak Rupees at exchange rates prevailing at the date when fair values are determined.

2.17 Borrowing costs

Interest, mark-up and other charges on long term financing are capitalized up to the date of commissioning of respective qualifying assets acquired out of the proceeds of such long term financing. All other interests, mark-up and other charges are recognized in statement of profit or loss.

2.18 Contingent liabilities

Contingent liability is disclosed when the Company has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.

2.19 Contingent assets

Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes certain.

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company that makes strategic decisions.

Segment results that are reported to the Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those income, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated. The Company has four reportable business segments: Sugar, Biofuel, Textile and Farms.

Transactions among the operating segments are recorded at cost. Inter segment sales and purchases are eliminated from the total.

2.21 Earnings / (Loss) Per Share (EPS / LPS)

The Company presents EPS / LPS data for its ordinary shares. Basic EPS / LPS is calculated by dividing the profit or loss for the year by weighted average number of ordinary shares outstanding during the year.

2.22 Employees' retirement benefits

Defined benefit plans

The main feature of the schemes operated by the Company for its employees are as follows:

The Company operates a funded gratuity scheme as a defined benefit plan for its permanent employees and also funded defined benefit pension plan. All permanent employees who are in the management cadre of the Company participate in these plans subject to a minimum qualifying period of service according to the terms of employment. Monthly contributions are made to these funds on the basis of actuarial recommendation at the rate of 20% per annum of basic salary for pension and 8.33% per annum of basic salary for gratuity. Actuarial valuation using projected unit credit method for the schemes was carried out as at 30 September 2022. The main features of defined benefit schemes are mentioned in Note 6.1 and Note 6.2.

The Company's net obligation in respect of these defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liabilities, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income. The Company determines the net interest expense / (income) on the net defined benefit liability / (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability / (asset), taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plan are recognized in profit or loss.

When the benefits of plans are changed or when plans are curtailed, the resulting change in benefits that relate to past service or the gain or loss on curtailment are recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of defined benefit plans when the settlement occurs.

Defined contribution plan

There is an approved contributory provident fund for all employees. Equal monthly contributions are made both by the employees and the Company at the rate of 8.33 percent of basic salary to the Fund. The Company's contributions to the Fund are charged to statement of profit or loss.

2.23 Dividend and other appropriations

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which it is declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

2.24 Investment in subsidiary company

Investment in subsidiary company is accounted for using equity method in accordance with IAS 27 'Separate Financial Statements'.

2.25 Non-current assets held for sale

Non-current assets are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. These are stated at the lower of carrying amount and fair value less costs to sell.

3. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2022	2021		2022	2021
Number of shares			Rupees in thousand	
79 021 000	79 021 000	Ordinary shares of Rs. 10 each fully paid in cash	790,210	790,210
33 131 816	33 131 816	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	331,318	331,318
750 000	750 000	Ordinary shares of Rs. 10 each issued to Pakistan Industrial Credit and Investment Corporation Limited against its right of option to convert 20 percent of its loan into fully paid up shares	7,500	7,500
9 557 000	9 557 000	Ordinary shares of Rs. 10 each issued as fully paid for consideration other than cash under the scheme of merger	95,570	95,570
2 540 184	2 540 184	Ordinary shares of Rs. 10 each issued as fully paid against conversion of preference shares	25,402	25,402
125 000 000	125 000 000		1,250,000	1,250,000

3.1 Ordinary shares of the Company held by related parties:

	2022	2021
	Number of shares	
Crescent Steel and Allied Products Limited	27 409 075	27 409 075
The Crescent Textile Mills Limited	9 019 690	9 019 690
CS Capital (Private) Limited	7 602 272	7 602 272
Premier Insurance Limited	5 000	5 000
Shakarganj Mills Limited Employees' Provident Fund Trust	1 375 427	1 375 427
Shakarganj Mills Limited Gratuity Fund	107 876	107 876
Shakarganj Mills Limited Pension Fund	916 582	916 582
	46 435 922	46 435 922

	NOTE	2022	2021
		Rupees in thousand	
4. CAPITAL RESERVES			
Surplus on revaluation of property, plant and equipment - net of deferred income tax	4.1	10,256,630	11,466,335
Other capital reserves			
Premium on issue of right shares	4.2	1,056,373	1,056,373
Share in capital reserves of equity accounted investee		552,411	448,810
Fair value reserve of investments at fair value through other comprehensive income	4.3	(12,835)	(11,021)
Difference of capital under scheme of arrangement of merger		155,930	155,930
		1,751,879	1,650,092
		12,008,509	13,116,427

	2022	2021
	Rupees in thousand	
4.1 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF DEFERRED INCOME TAX		
As at 01 October	11,466,335	6,087,758
Add:		
Net surplus arising on revaluation during the year - net of deferred income tax	-	5,911,609
	11,466,335	11,999,367
Less:		
Transferred to accumulated loss in respect of incremental depreciation charged during the year - net of deferred income tax	(607,168)	(247,404)
Surplus on revaluation of property, plant and equipment disposed of during the year - net of deferred income tax	(116,164)	(162,085)
Impact of change in deferred tax rate	(486,373)	(123,543)
	(1,209,705)	(533,032)
As at 30 September	10,256,630	11,466,335

4.1.1 The latest valuation of land, building, plant and machinery was carried out by an independent valuer Messrs Hamid Mukhtar and Company (Private) Limited on 30 September 2021. The valuation was determined by reference to market value of the similar properties / assets. Previously revaluations were carried out on 30 September 2012, 30 September 2014, 09 April 2018 and 27 September 2018 by independent valuers.

4.2 This reserve can be utilized by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

4.3 This represents the unrealized loss on remeasurement of investments at Fair Value Through Other Comprehensive Income (FVTOCI). Reconciliation of fair value reserve is as under:

	2022	2021
	Rupees in thousand	
Balance as on 01 October	(11,021)	(7,898)
Fair value adjustment during the year	(3,323)	(3,123)
	(14,344)	(11,021)
Deferred income tax relating to investments at fair value through other comprehensive income	1,509	-
Balance as on 30 September	(12,835)	(11,021)

	NOTE	2022	2021
		Rupees in thousand	
5. LONG TERM FINANCING			
From banking companies - secured	5.1	41,413	410,105
Less: Current portion shown under current liabilities		41,413	410,105
		-	-

5.1 From banking companies

LENDER	2022	2021	RATE OF INTEREST PER ANNUM	EFFECTIVE RATE OF INTEREST	NUMBER OF INSTALLMENTS	INTEREST REPRICING	INTEREST PAYABLE	SECURITY
	Rupees in thousand							
National Bank of Pakistan	-	58,622	3 Month KIBOR + 1%	8.78% - 12.95%	This facility was completely repaid on 07 April 2022	Quarterly	Quarterly	First joint pari passu charge of 182.378 million over entire present and future fixed assets of the Company with 25% margin and personal guarantees of Chief Executive Officer and one Director of the Company.
National Bank of Pakistan	-	106,250	3 Month KIBOR + 3%	10.78% - 18.16 %	This facility was completely repaid on 25 August 2022	Quarterly	Quarterly	First joint pari passu charge of Rs. 306.667 million over present and future fixed assets of the Company with 25% margin and personal guarantee of Chief Executive Officer and one Director of the Company. It is also secured through pledge of 6 387 000 number of shares of Crescent Steel and Allied Products Limited.
First Credit and Investment Bank Limited	-	45,000	3 Month KIBOR + 3.5%	10.89% - 19.41%	This facility was completely repaid on 22 September 2022	Quarterly	Quarterly	Ranking hypothecation charge over present and future assets of the Company with 25% margin excluding land and building plus against pledge of shares from PSX acceptable to the Bank at market value with 35% margin and personal guarantee of Chief Executive Officer and one Director of the Company.
MCB Bank Limited - Loans under SBP Refinance Scheme (Note 5.1.1)	41,413	200,233	SBP rate + 3%	3%	Eight equal quarterly installments commenced on 01 January 2021 and ending on 30 September 2022.	-	Quarterly	First joint pari passu charge over present and future fixed assets of Rs. 1,000 million, first pari passu charge of Rs. 551 million over stocks, ranking charge of Rs. 200 million on fixed assets, first pari passu charge on plant and machinery of Rs. 250 million, ranking charge of Rs. 200 million on current assets of the Company and personal guarantee of Chief Executive Officer and one Director of the Company.
	41,413	410,105						

5.1.1 These represent last outstanding installments under SBP Refinance Scheme as at 30 September 2022, which was subsequently repaid on 27 December 2022.

		NOTE	2022	2021
			Rupees in thousand	
6.	EMPLOYEES' RETIREMENT BENEFITS			
	Pension Fund	6.1	571,315	204,941
	Gratuity Fund	6.2	105,193	14,171
			676,508	219,112
	Less: Transferred to trade and other payables in:			
	Payable to Pension Fund	6.1.2	174,546	-
	Payable to Gratuity Fund	6.2.2	80,002	-
			254,548	-
			421,960	219,112

6.1 Pension Fund

The amount recognized in the statement of financial position is determined as follows:

	NOTE	2022	2021
Present value of defined benefit obligation	6.1.1	597,841	500,076
Fair value of plan assets	6.1.2	(26,526)	(295,135)
Net defined benefit obligation		571,315	204,941

6.1.1 The movement in the defined benefit obligation over the year is as follows:

	NOTE	2022	2021
Present value of defined benefit obligation as at 01 October		500,076	511,634
Current service cost		23,116	24,971
Interest cost		53,654	52,467
Remeasurement losses / (gains)		45,612	(65,099)
Benefits paid during the year		(24,617)	(23,897)
Present value of defined benefit obligation as at 30 September		597,841	500,076

6.1.2 The movement in the fair value of plan assets for the year is as follows:

	NOTE	2022	2021
Fair value as at 01 October		295,135	378,738
Return on plan assets		22,450	39,536
Contributions during the year		17,073	19,492
Fund transferred back to the Company	6.1.2.1	(174,546)	-
Benefits paid during the year		(24,617)	(23,897)
Return on plan assets excluding interest income		(108,969)	(118,734)
Fair value as at 30 September		26,526	295,135

6.1.2.1 This represents the amount transferred to the Company by the Fund for the business operations of the Company and shown in 'Payable to Pension Fund' under 'Trade and Other Payables'.

		NOTE	2022	2021
			Rupees in thousand	
6.1.3	The amounts recognized in the statement of profit or loss are as follows:			
	Current service cost		23,116	24,971
	Interest cost		53,654	52,467
	Return on plan assets		(22,450)	(39,536)
	Net charge for the year		54,320	37,902
6.1.3.1	The amounts recognized in the statement of profit or loss are classified as follows:			
	Cost of sales	24.2	35,111	23,923
	Distribution cost	25.1	346	235
	Administrative expenses	26.1	18,449	13,590
	Other expenses	27.1	414	154
			54,320	37,902
6.1.4	Remeasurements of net defined benefit liability			
	Actuarial losses / (gains) due to experience adjustments		45,612	(65,099)
	Return on plan assets excluding interest income		108,969	118,734
	Amount chargeable to other comprehensive income		154,581	53,635
6.1.5	Reconciliation of net defined benefit liability			
	As at 01 October		204,941	132,896
	Expense chargeable to profit or loss during the year		54,320	37,902
	Amount chargeable to other comprehensive income during the year		154,581	53,635
	Contributions paid by the Company during the year		(17,073)	(19,492)
	As at 30 September		396,769	204,941

6.1.6 The estimated expenses to be charged to the statement of profit or loss for the year ending on 30 September 2023 are Rs. 102.904 million.

		2022	2021
		Rupees in thousand	
6.1.7	Actual return on plan assets		
	Interest income for the year	22,450	39,536
	Return on plan assets excluding interest income	(108,969)	(118,734)
		(86,519)	(79,198)

6.1.8 The principal actuarial assumptions used were as follows:

	2022	2021
Discount rate (per annum)	14.00%	11.00%
Future salary increases (per annum)	13.00%	10.00%
Expected rate of future pension increases (per annum)	9.00%	6.00%
Average expected remaining working life time of employees	9 years	10 years
Expected average duration of obligation	17 years	18 years
Expected mortality rate	SLIC (2001-05) mortality table	

6.1.9 Plan assets are comprised as follows:

	2022 Rupees in thousand	2021
Equity instruments	187,876	259,143
Cash and cash equivalents	89	87,697
Others - net	(161,439)	(51,705)
	26,526	295,135

6.1.10 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2022	2021
Discount rate	1.00%	1.00%
Increase in assumption (Rupees in thousand)	(51,204)	(82,009)
Decrease in assumption (Rupees in thousand)	56,015	98,081
Future salary increase	1.00%	1.00%
Increase in assumption (Rupees in thousand)	56,001	52,326
Decrease in assumption (Rupees in thousand)	(51,211)	(47,364)

6.2 Gratuity Fund

The amount recognized in the statement of financial position are determined as follows:

	NOTE	2022 Rupees in thousand	2021
Present value of defined benefit obligations	6.2.1	105,162	104,506
Fair value of plan obligations / (assets)	6.2.2	31	(90,335)
Net defined benefit obligation		105,193	14,171

6.2.1 The movement in the defined benefit obligation over the year is as follows:

	2022 Rupees in thousand	2021
Present value of defined benefit obligation as at 01 October	104,506	111,375
Current service cost	6,635	6,873
Interest cost	10,675	10,800
Benefits paid during the year	(5,687)	(1,222)
Remeasurement gains	(10,967)	(23,320)
Present value of defined benefit obligation as at 30 September	105,162	104,506

		NOTE	2022	2021
			Rupees in thousand	
6.2.2	The movement in the fair value of plan (obligations) / assets for the year is as follows:			
	Fair value as at 01 October		90,335	83,768
	Contributions during the year		8,219	9,801
	Fund transferred back to the Company	6.2.2.1	(80,002)	-
	Return on plan assets		5,418	8,586
	Benefits paid during the year		(5,687)	(1,222)
	Return on plan (obligations) / assets excluding interest income		(18,314)	(10,598)
	Fair value as at 30 September		(31)	90,335

6.2.2.1 This represents the amount transferred to the Company by the Fund for the business operations of the Company and shown in 'Payable to Gratuity Fund' under 'Trade and Other Payables'.

		NOTE	2022	2021
6.2.3	The amounts recognized in the statement of profit or loss are as follows:			
	Current service cost		6,635	6,873
	Interest cost		10,675	10,800
	Return on plan assets		(5,418)	(8,586)
	Net charge for the year		11,892	9,087
6.2.3.1	The amounts recognized were included in the statement of profit or loss as follows:			
	Cost of sales	24.2	7,687	5,744
	Distribution cost	25.1	75	56
	Administrative expenses	26.1	4,039	3,256
	Other expenses	27.1	91	31
			11,892	9,087
6.2.4	Remeasurements of net defined benefit liability			
	Actuarial gains due to experience adjustments		(10,967)	(23,320)
	Return on plan (obligations) / assets excluding interest income		18,314	10,598
	Amount chargeable to other comprehensive income		7,347	(12,722)

6.2.5 The estimated expenses to be charged to the statement of profit or loss for the year ending on 30 September 2023 are Rs. 22.241 million.

		2022	2021
		Rupees in thousand	
6.2.6	Reconciliation of net defined benefit liability		
	As at 01 October	14,171	27,607
	Expense chargeable to profit or loss during the year	11,892	9,087
	Amount chargeable to other comprehensive income during the year	7,347	(12,722)
	Contributions paid by the Company during the year	(5,687)	(9,801)
	As at 30 September	27,723	14,171

		2022	2021
		Rupees in thousand	
6.2.7	Actual return on plan (obligations) / assets		
	Interest income for the year	5,418	8,586
	Return on plan assets excluding interest income	(18,314)	(10,598)
		(12,896)	(2,012)

		2022	2021
6.2.8	The principal actuarial assumptions used were as follows:		
	Discount rate (per annum)	13.25%	10.50%
	Future salary increases (per annum)	12.25%	9.50%
	Average expected remaining working life time of employees	8 years	9 years
	Expected average duration of benefit obligation	7 years	8 years
	Expected mortality rate	SLIC (2001-05) mortality table	

		2022	2021
		Rupees in thousand	
6.2.9	Plan (obligations) / assets are comprised as follows:		
	Equity instruments	18,076	23,276
	Cash and cash equivalents	51	67,356
	Others - net	(18,158)	(297)
		(31)	90,335

6.2.10 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2022	2021
Discount rate	1.00%	1.00%
Increase in assumption (Rupees in thousand)	(8,492)	(8,439)
Decrease in assumption (Rupees in thousand)	9,240	9,183
Future salary increase	1.00%	1.00%
Increase in assumption (Rupees in thousand)	9,238	9,180
Decrease in assumption (Rupees in thousand)	(8,493)	(8,440)

6.3 The sensitivity analysis for pension fund and gratuity fund are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions the same method (present value of the defined benefit obligations calculated with the projected unit credit method at the end of the reporting period) has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the previous year except for certain changes as given in Note 6.1.8 and Note 6.2.8.

6.4 Risks associated with the defined benefit plans

The defined benefit plans expose the Company to the following risks:

Interest rate risk

The present value of the defined benefit liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on high quality corporate bonds, or where there is no deep market in such bonds, by reference to market yields on government bonds. Currencies and terms of bond yields used must be consistent with the currency and estimated term of the post-employment benefit obligations being discounted. A decrease in bond interest rates will increase the liability, and vice versa.

Salary risk

The present value of the defined benefit liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the liability and vice versa.

Pension rate risk

The present value of the defined benefit liability is calculated after taking into account the future pension growth of plan participants. As such, an increase in the pension growth rate of the plan participants will increase the liability and vice versa.

Withdrawal rate risk

The present value of the defined benefit liability is calculated by reference to the best estimate of the withdrawal rate / attrition rate of plan participants. As such, an increase in the withdrawal rate may increase / decrease the liability and vice versa depending on the age-service distribution of the existing employees.

Mortality rate risk

The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants during employment. An improvement in the mortality rate of the participants may increase / decrease the liability and vice versa depending on the age-service distribution of the exiting employees.

		2022	2021
		Rupees in thousand	
7.	DEFERRED INCOME TAX LIABILITY		
	Taxable temporary differences		
	Accelerated tax depreciation	424,446	371,451
	Surplus on revaluation of property, plant and equipment	2,898,561	2,683,268
	Undistributed reserve of investment	39,644	26,216
		3,362,651	3,080,935
	Deductible temporary differences		
	Unused tax losses	(158,750)	(138,005)
	Provision for doubtful receivables	(29,827)	(25,537)
	Provision for obsolete stores, spare parts and loose tools	(794)	(672)
	Fair value reserve of investment	(1,509)	-
	Employees' retirement benefits	(118,847)	(52,245)
		(309,727)	(216,459)
		3,052,924	2,864,476

		NOTE	2022	2021
			Rupees in thousand	
7.1	Movement in the deferred income tax liability balance is as follows:			
	As at 01 October		2,864,476	925,415
	(Less) / add:			
	Employees' retirement benefits		(66,602)	(17,478)
	Accelerated tax depreciation		52,995	(42,364)
	Unused tax losses		(20,745)	412,995
	Provision for doubtful receivables		(4,290)	(19,946)
	Provision for obsolete stores, spare parts and loose tools		(122)	(61)
	Surplus on revaluation of property, plant and equipment		215,293	1,740,948
	Fair value reserve of investment		(1,509)	-
	Undistributed reserve of investment		13,428	(135,033)
			188,448	1,939,061
	As at 30 September		3,052,924	2,864,476
7.1.1	Charged to the statement of profit or loss:			
	Net movement of temporary differences	7.1	188,448	1,939,061
	- on surplus on revaluation of property, plant and equipment		(486,373)	(1,836,873)
	- on unrealized loss on investment at FVTOCI		1,509	-
	- on remeasurement of employees' retirement benefits		45,608	9,755
			(439,256)	(1,827,118)
			(250,808)	111,943

7.2 Deferred income tax asset on unused tax losses available for carry forward are recognized to the extent that the realization of related tax benefits through future taxable profits is probable. Therefore, the Company has not recognized deferred income tax asset on Rs. 7,871.789 million (2021: Rs. 8,739.877 million) in respect of tax losses including unabsorbed depreciation, as sufficient tax profits may not be available to set off these in the foreseeable future. Total minimum tax available to carry forward under section 113 of the Income Tax Ordinance, 2001 as at 30 September 2022 is of Rs. 308.996 million (2021: Rs. 433.750 million), while no deferred tax asset is recognized on minimum tax.

7.3 The unused tax losses excluding unabsorbed depreciation would expire as follows:

Accounting year to which the unused tax losses relates	Amount of unused tax losses	Accounting year in which unused tax losses will expire
	Rupees in thousand	
2017	523,670	2023
2018	1,018,549	2024
2019	721,455	2025
2020	545,983	2026
2021	610,361	2027
	3,420,018	

7.4 The minimum tax would expire as follows:

Accounting year to which the minimum tax relates	Amount of minimum tax	Accounting year in which minimum tax will expire
	Rupees in thousand	
2020	87,543	2023
2021	97,268	2024
2022	124,185	2025
	308,996	

	NOTE	2022	2021
		Rupees in thousand	
8. TRADE AND OTHER PAYABLES			
Creditors		562,162	799,248
Advances for sale of property, plant and equipment		54,728	408,080
Contract liabilities - unsecured		361,048	487,887
Payable to related parties	8.1	41,838	40,490
Security deposits - interest free		-	803
Accrued liabilities		297,250	387,185
Payable to Government authorities:			
- Taxes and duties		1,158,466	805,928
- Income tax deducted at source		196,021	121,402
- Others		10,021	10,021
Payable to Employees' Provident Fund Trust		-	2,851
Payable to Pension Fund and Gratuity Fund		373,918	72,146
Other payables		354,400	200,800
		3,409,852	3,336,841

8.1 These include Rs. 9.630 million (2021: Rs. 7.523 million) due to Shakarganj Food Products Limited, the subsidiary of the Company.

	NOTE	2022	2021
		Rupees in thousand	
9. SHORT TERM BORROWINGS			
From banking companies - secured			
- Export refinance / Istisna	9.1	935,000	935,000

9.1 Export refinance / Istisna

The Company has arranged facilities for short term finances to meet working capital requirements from various banks under mark-up arrangements. These finances were available at mark-up ranging from 8.53% to 18.16% (2021: 8.35% to 12.51%) per annum on the outstanding balance or part thereof. These include Istisna of Rs. 425 million (2021: Rs. 425 million) payable to BankIslami Pakistan Limited, a related party. Expiry dates of these finances are upto 30 September 2022 except for the facility from National Bank of Pakistan which was expired since 15 April 2021 and was renewed on 16 November 2022, subsequent to the reporting period.

Total credit facilities from the banking Companies as at 30 September 2022 are of Rs. 1,459.300 million (2021: Rs. 1,459.300 million). The aggregate credit facilities are secured against ranking charge over fixed assets of the Company with 25% margin, ranking charge over current assets of the Company with 25% margin, pledge of molasses and biofuel, first joint pari passu charge over all present and future fixed assets of the Company and personal guarantees of Chief Executive Officer and a Director. These are additionally secured by pledge of shares of the Company and of other related parties.

	NOTE	2022	2021
		Rupees in thousand	
10. ACCRUED MARK-UP			
Long term financing		5,675	24,846
Short term borrowings	10.1	47,060	31,678
		52,735	56,524

10.1 This includes mark-up of Rs. 4.676 million (2021: Rs. 4.663 million) payable to BankIslami Pakistan Limited, a related party.

11. CONTINGENCIES AND COMMITMENTS

a) Contingencies

(i) The Government of Punjab under the powers conferred through the Punjab Excise Act, 1914 through notification No. SO. Tax (E&T) 3-4/2012 dated 03 July 2012, levied a duty of Rs. 2 per litre on manufacturing of spirit (biofuel) with effect from 01 July 2012. In view of legal lacunas, discrimination as to other provinces, no legislative competence and lawful authority of Government of Punjab to impose such duty on industrial ethanol which is not alcohol liquor and the fact that the Company is exporter of the spirit which is exempted under Order 6 of the Punjab Liquor Import, Export, Transportation and Possessions Orders, the management through its legal counsel has challenged the imposition of said levy and is currently contesting it at Lahore High Court, Lahore. Keeping in view all the court proceedings and grounds discussed in various higher courts, Punjab Government, after due deliberations of the Provincial Cabinet of the Punjab Government, on 20 August 2019, through its notification no. SO(E&M)2-5/2018/ED withdrew the imposed duty of Rs. 2 per litre upon the manufacture of spirit in any distillery. As per Company's legal counsel, the Company has clear-cut case and the decision of the case shall be in favor of the Company. In view of the aforesaid, the duty on manufacturing of spirit (biofuel) of Rs. 229.918 million (2021: Rs. 229.918 million) previously deposited on this account has been recognized as receivable being refundable.

(ii) The Company has paid an advance amounting to Rs. 12.999 million (2021: Rs. 12.999 million) to Messrs Industrial Enterprises for designing the boiler project to use only biogas as fuel with no option of burning bagasse. However, the boiler could not generate steam as per specification. It is unlikely that this project will be completed. Therefore the Company has gone into litigation with Industrial Enterprises in Civil Court, Jhang on 03 July 2018 for the recovery of the advance paid along with damages. Based on the advice of legal counsel, there are favourable grounds that the case will be decided in favour of the Company and the advance amount paid will be refunded back.

(iii) An appellate order was made by Commissioner Inland Revenue, Appeals, Lahore on 30 November 2020 under section 33 of Federal Excise Act, 2005, confirming payment of federal excise duty of Rs. 12.757 million (2021: Rs. 12.757 million) including penalty regarding export of sugar to Afghanistan through land route in 2014. The Company has filed appeal before Appellate Tribunal Inland Revenue, Lahore against this order on 23 December 2020. No provision has been recognized in the books of account as the Company is confident on positive outcome of the appeal, on the advice of legal counsel.

(iv) The Competition Commission of Pakistan (CCP) imposed penalties of Rs. 312.595 million (2021: Rs. 312.595 million) on sharing commercially sensitive information and Rs. 437.633 million (2021: Rs. 437.633 million) against collective decision on export quantities. Against these penalties, the Company has lodged appeal before Competition Appellate Tribunal on 14 October 2021, whose decision is pending. On the advice of legal counsel, management is confident that the matter will be decided in the favour of the Company.

(v) Deputy Commissioner Inland Revenue issued pre-audit reports of the Company under section 177(6) of Income Tax Ordinance, 2001 relevant to tax years 2018 and 2019. The Company filed writ petition on 01 October 2020 in Lahore High Court, Lahore against the selection of audit. The petition was accepted in Intra Court Appeal vide order dated 27 April 2022. On the advice of legal counsel, management is confident that the matter having no financial impact will be decided in the favor of the Company.

(vi) Deputy Commissioner Inland Revenue passed orders against the Company dated 23 November 2020 and raised demands of sales tax amounting to Rs. 164.609 million (2021: Rs. 164.609 million), Rs. 1,017.747 million (2021: Rs. 1,017.747 million) and Rs. 802.714 million (2021: Rs. 802.714 million) relating to tax years 2017, 2018 and 2019 respectively on the grounds of suppression of production / sales of molasses, bagasse and mud along with default surcharge and penalty under Sales Tax Act, 1990. Against these orders, the Company filed appeals before Commissioner Inland Revenue Appeals (CIR(A)) who set aside the orders on 06 September 2021, with the direction to assessing officer to reconsider the arguments of the Company. As per Company's legal counsel, no provision is required as the Company has good arguable cases.

(vii) Deputy Commissioner Inland Revenue passed an order against the Company dated 23 November 2020 and raised demand of Federal Excise Duty in sales tax mode amounting to Rs. 475.145 million (2021: Rs. 475.145 million) relating to tax year 2017 on the grounds of suppression of production / sales of white crystalline sugar along with default surcharge and penalty under Federal Excise Act, 2005. Against this order, the Company filed appeal before Commissioner Inland Revenue Appeals (CIR(A)) who set aside the order on 06 September 2021, with the direction to assessing officer to reconsider the arguments of the Company. As per Company's legal counsel, no provision is required as the Company has good arguable case.

(viii) Commissioner Inland Revenue (Appeals) (CIR(A)) lodged petition in Lahore High Court, Lahore against the Company on 17 June 2021 regarding the order to recover sales tax of Rs. 78.867 million (2021: Rs. 78.867 million) along with default surcharge and penalty against which an appeal of the Company was accepted by Appellate Tribunal Inland Revenue on 10 November 2020. According to legal counsel of the Company, the petition filed by CIR(A) is on weak grounds therefore no provision is recognized in these financial statements.

(ix) The Company has filed appeals before Appellate Tribunal Inland Revenue on 05 April 2022 against assessment orders under section 11 of the Sales Tax Act, 1990 passed by the Commissioner Inland Revenue (Appeals) regarding the recovery of sales tax of Rs. 8.272 million for the tax periods October 2016 and March 2018. As per Company's legal counsel, no provision is required as the Company has good arguable

(x) Deputy Commissioner Inland Revenue issued show cause notices to the Company on 19 May 2022 and on 16 February 2022 against the input tax adjustments of exempt / inadmissible supplies from July 2020 to June 2021 and from July 2021 to November 2021 amounting to Rs. 1.428 million and Rs. 9.282 million respectively in violation of section 8(2) of the Sales Tax Act, 1990. The collective amount was later reduced to Rs. 3.210 million. The appeals before Appellate Tribunal Inland Revenue dated 18 August 2022 and 18 October 2022, subsequent to the reporting date, are being pursued by the Company. On the advice of legal counsel, management is confident that the matters will be decided in the favour of the Company.

(xi) Deputy Commissioner Inland Revenue on 29 June 2021 passed an order under section 122(4) of Income Tax Ordinance, 2001 and made an addition amounting to Rs. 2.127 billion being unexplained income under section 111(1)(b) of Ordinance. The Company on 19 March 2022 filed an appeal before Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication. Moreover due to addition as mentioned above, Additional Commissioner Inland Revenue adjusted the refunds claimed by the Company and a demand of Rs. 31.425 million was created. The Company, being aggrieved has filed an appeal before ATIR on 25 October 2022, subsequent to the reporting date. On the advice of legal counsel, management is confident that the matters will be decided in the favor of the Company.

(xii) Commissioner Inland Revenue (CIR) filed sales tax reference no. 50364/2020 against the Company in Lahore High Court, Lahore on 13 October 2020 challenging the judgment of Appellate Tribunal Inland Revenue of setting aside various sales tax / federal excise duty demands of Rs. 28.817 million. As per Company's legal counsel, no provision is required as the reference filed by CIR is on weak grounds and will be dismissed by the Court.

(xiii) Company's share in contingencies of the equity accounted investee is Rs. 407.269 million (2021: Rs. 727.320 million).

(xiv) In addition to above-mentioned matters there are certain cases which have been filed against the Company, primarily by the Company's employees, customers and vendors. However, the management is of the view that in the overall context of these financial statements, there would be no significant liability of the Company against such cases.

b) Commitments

There is no contract for capital and other expenditure as at 30 September 2022 (2021: Rs. Nil).

	NOTE	2022 Rupees in thousand	2021
12. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	12.1	15,085,370	16,036,918
Capital work-in-progress	12.2	366,329	129,567
		15,451,699	16,166,485

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

12.1 OPERATING FIXED ASSETS

	Freehold land	Building	Plant and machinery	Tools and equipment	Water, electric and weighbridge equipment	Furniture and fixtures	Office equipment	Vehicles	Laboratory equipment	Arms and ammunition	Library books	Total
	Rupees in thousand											
At 30 September 2020												
Cost / revalued amount	2,652,850	1,082,124	6,976,407	50,637	276,477	49,863	59,961	131,063	23,106	575	10,983	11,314,046
Accumulated depreciation	-	(154,660)	(999,454)	(48,952)	(261,471)	(45,912)	(59,938)	(105,292)	(23,032)	(525)	(10,857)	(1,710,093)
Net book value	2,652,850	927,464	5,976,953	1,685	15,006	3,951	23	25,771	74	50	126	9,603,953
Year ended 30 September 2021												
Opening net book value	2,652,850	927,464	5,976,953	1,685	15,006	3,951	23	25,771	74	50	126	9,603,953
Additions	-	-	96,203	897	4,855	205	128	86	3,087	-	20	105,481
Elimination of gross carrying value:												
Cost / revalued amount	-	(224,049)	(1,292,525)	-	-	-	-	-	-	-	-	(1,516,574)
Accumulated depreciation	-	224,049	1,292,525	-	-	-	-	-	-	-	-	1,516,574
	-	-	-	-	-	-	-	-	-	-	-	-
Net revaluation surplus	439,650	587,486	6,597,803	-	-	-	-	-	-	-	-	7,624,939
Disposals:												
Cost / revalued amount	(19,147)	(178)	(248,773)	-	(979)	(213)	(158)	(223)	(4,083)	-	-	(273,754)
Accumulated depreciation	-	171	42,464	-	943	204	157	215	4,082	-	-	48,236
	(19,147)	(7)	(206,309)	-	(36)	(9)	(1)	(8)	(1)	-	-	(225,518)
Classified as non-current assets held for sale:												
Cost / revalued amount	(148,548)	-	(506,714)	-	-	-	-	-	-	-	-	(655,262)
Accumulated depreciation	-	-	81,286	-	-	-	-	-	-	-	-	81,286
	(148,548)	-	(425,428)	-	-	-	-	-	-	-	-	(573,976)
Depreciation charge for the year	-	(69,560)	(416,821)	(505)	(4,286)	(809)	(29)	(5,160)	(751)	(10)	(30)	(497,961)
Closing net book value	2,924,805	1,445,383	11,622,401	2,077	15,539	3,338	121	20,689	2,409	40	116	16,036,918
At 30 September 2021												
Cost / revalued amount	2,924,805	1,445,383	11,622,401	51,534	280,353	49,855	59,931	130,926	22,110	575	11,003	16,598,876
Accumulated depreciation	-	-	-	(49,457)	(264,814)	(46,517)	(59,810)	(110,237)	(19,701)	(535)	(10,887)	(561,958)
Net book value	2,924,805	1,445,383	11,622,401	2,077	15,539	3,338	121	20,689	2,409	40	116	16,036,918
Year ended 30 September 2022												
Opening net book value	2,924,805	1,445,383	11,622,401	2,077	15,539	3,338	121	20,689	2,409	40	116	16,036,918
Additions	-	3,982	1,700	251	-	1,296	50	-	-	-	-	7,279
Classification to proper heads:												
Cost	-	-	-	-	46	33	(79)	-	-	-	-	-
Accumulated depreciation	-	-	-	-	(46)	(33)	79	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Disposals / De-recognitions:												
Cost / revalued amount	(17,900)	(23,022)	(8,148)	(31,898)	(38,135)	(28,062)	(33,038)	(34,807)	(6,995)	(232)	(102)	(222,339)
Accumulated depreciation	-	1,583	511	31,745	37,353	27,245	32,960	33,447	6,992	218	102	172,156
	(17,900)	(21,439)	(7,637)	(153)	(782)	(817)	(78)	(1,360)	(3)	(14)	-	(50,183)
Transferred from non-current assets held for sale (Note 22.1):												
Cost / revalued amount	-	-	114,015	-	-	-	-	-	-	-	-	114,015
Accumulated depreciation	-	-	(18,290)	-	-	-	-	-	-	-	-	(18,290)
	-	-	95,725	-	-	-	-	-	-	-	-	95,725
Depreciation charge for the year	-	(108,438)	(885,791)	(565)	(3,624)	(778)	(44)	(4,127)	(966)	(8)	(28)	(1,004,369)
Closing net book value	2,906,905	1,319,488	10,826,398	1,610	11,133	3,039	49	15,202	1,440	18	88	15,085,370
At 30 September 2022												
Cost / revalued amount	2,906,905	1,426,343	11,729,968	19,887	242,264	23,122	26,864	96,119	15,115	343	10,901	16,497,831
Accumulated depreciation	-	(106,855)	(903,570)	(18,277)	(231,131)	(20,083)	(26,815)	(80,917)	(13,675)	(325)	(10,813)	(1,412,461)
Net book value	2,906,905	1,319,488	10,826,398	1,610	11,133	3,039	49	15,202	1,440	18	88	15,085,370
Annual rate of depreciation (%)	-	7.5	7.5, 30	20, 40	20, 40	20	40	20	40	20	20, 30	

12.1.1 Cost and accumulated depreciation as at 30 September2021 were reclassified by eliminating gross carrying value of building, plant and machinery against their accumulated depreciation while incorporating revaluation surplus.

12.1.2 Particulars of immovable properties (i.e. land and building) in the name of the Company are as follows:

Particulars	Location	Area of land	Covered Area of building Sq. ft.
Freehold land (Farms)	Land at Chak Rasool Pur	103 Kanals, 13 Marlas	-
	Land at Moza Billi Habib (Nualan Par)	284 Kanals, 16 Marlas	-
	Land at Moza Chandia Nasheb	438 Kanals, 1 Marla	-
	Land at Moza Turbat Haji Shah	17 Kanals, 9 Marlas	-
	Land at Moza Doka Baloucha	637 Kanals, 19 Marlas	-
	Land at Moza Kot Esa Shah	1 262 Kanals	-
	Land at Moza Kot Khan	2 926 Kanals 4 Marlas	-
	Land at Chak 462 JB	781 Kanals, 13 Marlas	-
	Land at Kot Sahai Singh	52 Kanals, 4 Marlas	-
Freehold land (Bhone)	Land at Chund Bharwana	1 Kanal	-
	Land at Adda Massan	1 Kanal	-
	Bhone Unit (factory land)	1 420 Kanals, 4 Marlas	496 365
Freehold land (Jhang)	Land at Lalazar	1 Kanal	-
	Land at Moza Suleman Adda Sher Abad	1 Kanal	-
	Land at Chak 426 Adda Pul	1 Kanal	-
	Land at Chak 428 Adda Pul	1 Kanal	-
	Land at Chak 316 Talwandi	15 Kanals, 16 Marlas	-
	Land at Moza Sangra Adda Kot Shakir	1 Kanal	-
	Land at Islam Wala Adda Pul Gagan	1 Kanal	-
	Land at Adda Kot Bahadar	1 Kanal	-
	Land at Moza Kalachi Adda	1 Kanal	-
	Land at Moza Gilmala	1 Kanal	-
	Land at Malluana More	10 Marlas	-
	Land at Roran Wali	1 Kanal	-
	Jhang Unit (factory land)	1 289 Kanals, 5 Marlas	1 710 670

12.1.3 Detail of operating fixed assets, exceeding the book value of Rs. 500,000, disposed of during the year is as follows:

Description	Cost / revalued amount	Accumulated depreciation	Net book value	Sale proceeds	(Loss) / gain	Mode of disposal	Particulars of purchasers
	---------------------------Rupees in thousand---------------------------						
Freehold land							
at Thatti Raju (8 Kanals)	4,900	-	4,900	4,850	(50)	Auction	Ghulam Shabbir, Thatti Raju, Tehsil Sahiwal, District Sargodha
at Chak 338 Adda Nia Lahore (1 Kanal	8,500	-	8,500	8,500	-	Auction	Rana Liaqat Ali, Chak No. 297 J.B., Tehsil Gojra, District Toba Tek Singh
at Adda Daal More (1 Kanal)	2,500	-	2,500	2,500	-	Auction	Muhammad Shafi Baloch, Adda Daal More, Tehsil 18 Hazari, District Jhang
at Chak 1/3L Ahmad Pur Sial (1 Kanal)	1,000	-	1,000	1,050	50	Negotiation	Ghulam Jilani, Chak No. 1/3 L, Tehsil Ahmad Pur Sial, District Jhang
at Pahar Pur, Abbas Nagar (1 Kanal)	1,000	-	1,000	1,000	-	Negotiation	Allah Ditta, Pahar Pur, Tehsil 18 Hazari, District Jhang
	17,900	-	17,900	17,900	-		
Building							
Fish Pond	18,646	1,282	17,364	-	(17,364)	De-recognized	-
Plant and machinery							
Mill Roller Shafts	7,875	492	7,383	12,031	4,648	Auction	Muhammad Afzaal, Near Ghalla Mandi, Toba Road, Jhang
Aggregate of other items of property, plant and equipment with individual book values not exceeding Rs. 500,000	177,918	170,382	7,536	15,317	7,781		
	222,339	172,156	50,183	45,248	(4,935)		

12.1.4 The carrying amount of freehold land, building and plant and machinery would have been Rs. 147.523 million (2021: Rs. 149.889 million), Rs. 194.255 million (2021: Rs. 206.973 million) and Rs. 1,555.803 million (2021: Rs. 1,764.749 million) respectively, had there been no revaluation.

12.1.5 Forced sale value as per last revaluation carried out on 30 September 2021 was Rs. 2,339.844 million, Rs. 1,156.306 million and Rs. 8,135.680 million for freehold land, building and plant and machinery respectively.

		NOTE	2022	2021
			Rupees in thousand	
12.1.6	The depreciation charge has been allocated as follows:			
	Cost of sales	24	985,557	483,135
	Administrative expenses	26	18,812	14,826
			1,004,369	497,961

12.2 CAPITAL WORK-IN-PROGRESS

	Civil works	Plant and machinery	Advances for capital expenditure (Note 12.2.1)	Total
	Rupees in thousand			
At 01 October 2020	-	71,271	70,408	141,679
Add: Additions during the year	1,296	85,920	-	87,216
Less: Transferred to operating fixed assets during the year	-	(84,349)	(11,854)	(96,203)
Less: Adjusted during the year	-	-	(3,125)	(3,125)
At 30 September 2021	1,296	72,842	55,429	129,567
Add: Additions during the year	8,183	151,798	82,463	242,444
Less: Transferred to operating fixed assets during the year	(3,982)	(1,568)	(132)	(5,682)
At 30 September 2022	5,497	223,072	137,760	366,329

		2022	2021
		Rupees in thousand	
12.2.1	Advances for capital expenditure:		
	Considered good:		
	- Plant and machinery	137,760	55,429
	Considered doubtful:		
	- Plant and machinery	21,664	21,664
	- Intangibles	15,274	15,274
		36,938	36,938
		174,698	92,367
	Less: Provision against doubtful advances	(36,938)	(36,938)
		137,760	55,429

		NOTE	2022	2021
			Rupees in thousand	
13.	BIOLOGICAL ASSETS			
	Sugarcane - mature	13.1	2,881	12,207
	Rice - mature		-	3,953
	Others - mature		-	72
	Livestock	13.2	30,204	18,333
			33,085	34,565
	Non - current - livestock		30,204	18,333
	Current - crops		2,881	16,232
			33,085	34,565

13.1. The value of mature sugarcane crops is based on estimated average yield of 600 (2021: 637.77) maunds per acre on cultivated area of 12 (2021: 109.37) acres. The cultivated area of current year dropped significantly from last year due to letting out most of the agriculture land instead of cultivating by the Company itself.

13.2. Livestock comprises 234 (2021: 221) cows, heifers, bulls and calves.

		NOTE	2022	2021
			Rupees in thousand	
13.3.	Movement during the year			
	Livestock			
	As at 01 October		18,333	17,601
	Gain arising from changes in fair value less estimated point of sale costs		12,742	3,549
	Decrease due to sale / deceased livestock		(871)	(2,817)
	As at 30 September		30,204	18,333
	Crops			
	As at 01 October		16,232	22,191
	Increase due to purchases / costs incurred		61,172	48,374
	Decrease due to harvest / sales		(54,149)	(63,124)
	Fair value adjustment related to sales during the year		(7,023)	14,750
	Fair value adjustment of agricultural assets	24	(13,351)	(5,959)
	As at 30 September		2,881	16,232
			33,085	34,565

		NOTE	2022	2021
			Rupees in thousand	
14.	LONG TERM INVESTMENTS			
	Investment in equity accounted investee	14.1	1,908,960	1,727,473
	At fair value through other comprehensive income	14.2	6,777	10,100
			1,915,737	1,737,573

		2022	2021
14.1	Investment in equity accounted investee		
	Shakarganj Food Products Limited - Unquoted		
	87 785 643 (2021: 87 785 643) fully paid ordinary shares of Rs. 10 each. Equity held: 52.39% (2021: 52.39%)		
	Cost	590,784	590,784
	Share of post acquisition reserves:		
	As at 01 October	1,136,689	1,074,996
	Share of profit after taxation	64,196	65,128
	Share of other comprehensive income / (loss)	128,923	(3,435)
	Share of equity portion - Musharakah financing	(11,632)	-
		181,487	61,693
		1,318,176	1,136,689
	As at 30 September	1,908,960	1,727,473

14.1.1 Shakarganj Food Products Limited (SFPL) is a public unlisted company incorporated in Pakistan and is principally engaged in the business of manufacturing, processing and sale of food products. Its registered office is situated at E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg – III, Lahore. SFPL is a subsidiary of the Company and the investment is accounted for using equity method in accordance with IAS 27 'Separate Financial Statements'.

	2022	2021
	Rupees in thousand	
Summarized statement of financial position		
Non-current assets	7,571,558	7,774,096
Current assets	3,133,236	2,710,902
Total assets	10,704,794	10,484,998
Non-current liabilities	(1,197,153)	(1,532,520)
Current liabilities	(5,999,913)	(5,791,164)
Total liabilities	(7,197,066)	(7,323,684)
Net assets	3,507,728	3,161,314

	2022	2021
Company's share (%)	52.39%	52.39%

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	2022	2021
	Rupees in thousand	
Company's share	1,837,699	1,656,212
Excess of purchase consideration over net assets	71,261	71,261
	1,908,960	1,727,473
Reconciliation to carrying amounts:		
As at 01 October	3,161,314	3,043,556
Profit after taxation	122,534	124,315
Other comprehensive income / (loss)	246,083	(6,557)
Share of equity portion - Musharakah financing	(22,203)	-
As at 30 September	3,507,728	3,161,314
Summarized statement of comprehensive income		
Revenue	18,027,493	18,024,041
Profit for the year	122,534	124,315
Other comprehensive income / (loss)	246,083	(6,557)
Total comprehensive income	368,617	117,758

		2022	2021
		Rupees in thousand	
14.2	At fair value through other comprehensive income		
	Related party - quoted		
	Crescent Steel and Allied Products Limited 180 000 (2021: 180 000) fully paid ordinary shares of Rs. 10 each	15,921	15,921
	Others - unquoted		
	Crescent Group (Private) Limited 220 000 (2021: 220 000) fully paid ordinary shares of Rs. 10 each	2,200	2,200
	Crescent Standard Telecommunications Limited 300 000 (2021: 300 000) fully paid ordinary shares of Rs. 10 each	3,000	3,000
	Innovative Investment Bank Limited 51 351 (2021: 51 351) fully paid ordinary shares of Rs. 10 each	-	-
		21,121	21,121
	Less: Fair value adjustment	(14,344)	(11,021)
		6,777	10,100

	NOTE	2022	2021
		Rupees in thousand	
15. LONG TERM ADVANCES AND DEPOSITS			
Security deposits:			
Considered good		36,135	36,135
Considered doubtful		265	265
		36,400	36,400
Advance to Creek Marina (Private) Limited - considered doubtful	15.1	38,557	38,557
		74,957	74,957
Less: Provision against doubtful receivables		(38,822)	(38,822)
		36,135	36,135

15.1 This represents payment for two apartments in the Creek Marina Projects pursuant to a settlement agreement entered into by the Company and the former Crescent Standard Investment Bank Limited in year 2006. The construction work at the site has been halted since year 2011 due to differences between Defence Housing Authority and the developer. The resumption of construction work is still uncertain in near future. Consequently, based on prudence principal the Company provided the above advance in full.

	2022	2021
	Rupees in thousand	
16. STORES, SPARE PARTS AND LOOSE TOOLS		
Stores	27,566	30,204
Spare parts	26,450	22,383
Loose tools	822	805
	54,838	53,392
Less: Provision for obsolete items	(2,820)	(2,820)
	52,018	50,572

	NOTE	2022	2021
		Rupees in thousand	
17. STOCK-IN-TRADE			
Raw materials		5,629	21,548
Work-in-process		11,399	13,283
Finished goods	17.1	278,214	326,366
		295,242	361,197

17.1 These include stock of Rs. 0.203 million (2021: Rs. 0.216 million) held by a third party.

17.2 Stock-in-trade of Rs. 0.155 million (2021: Rs. 27.357 million) is being carried at net realizable value.

17.3 The aggregate amount of write-down of inventories to net realizable value recognized as an expense during the year was Rs. Nil (2021: Rs. 15.898 million)

		NOTE	2022	2021
			Rupees in thousand	
18.	TRADE DEBTS			
	Unsecured - considered good:			
	Related party	18.1	25,903	38,631
	Others - against contract		49,560	56,108
			75,463	94,739
	Less: Allowance for expected credit losses	18.2	(10,378)	(11,958)
			65,085	82,781

18.1 As at 30 September 2022, trade debts due from the Subsidiary Company, Shakarganj Food Products Limited is amounting to Rs. 25.903 million (2021: Rs. 38.631 million). The ageing analysis of these trade debts is as follows:

	2022	2021
Upto 1 month	787	24,380
1 to 6 months	25,116	14,251
	25,903	38,631

18.1.1 Maximum aggregate balance due from the Subsidiary Company at the end of any month during the year was Rs. 44.100 million (2021: Rs. 107.387 million).

		NOTE	2022	2021
18.2	Allowance for expected credit losses			
	Balance as at 01 October		11,958	11,934
	Provision for the year		-	24
	Reversal during the year		(1,580)	-
	Net (reversal) / provision during the year	27/28	(1,580)	24
	Balance as at 30 September		10,378	11,958

18.3 Revenue from the sale of goods is recognized at the time of delivery, while apart from certain advance payments, for credit sales payment is generally due within 30 days from delivery in case of local sales, and in case of export sales advance payment is received.

18.4 As at 30 September 2022, trade debts due from other than the related party are aggregating to Rs. 38.537 million (2021: Rs. 40.305 million) which are past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default. The ageing analysis of these trade debts is as follows:

	2022	2021
Upto 1 month	3,899	20,452
1 to 6 months	32,273	19,455
More than 6 months	2,365	398
	38,537	40,305

18.5 Whole of the trade debts are due from local parties.

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		NOTE	2022	2021
			Rupees in thousand	
19.	LOANS AND ADVANCES			
	Considered good:			
	- to employees (against salary)	19.1	1,716	7,489
	- to employees (against expenses)		3,608	1,410
	- to executives	19.1	1,441	2,152
	- to suppliers and contractors		270,974	40,767
	- to sugarcane growers		9,374	9,926
			287,113	61,744
	Less: Provision against doubtful loans and advances	19.2	(17,167)	(16,789)
			269,946	44,955

19.1 These represent interest free loans to employees and executives for various purposes. These are recoverable in monthly installments and are secured against the balances to the credit of employees and executives in the retirement benefits.

			2022	2021
19.2	Provision for doubtful loans and advances			
	Balance as at 01 October		16,789	14,251
	Provision for the year		378	3,593
	Reversal during the year		-	(1,055)
	Net provision during the year	27	378	2,538
	Balance as at 30 September		17,167	16,789

			2022	2021
			Rupees in thousand	
20.	PREPAYMENTS AND OTHER RECEIVABLES			
	Considered good:			
	Export rebate		41,737	41,737
	Prepayments		3,566	5,238
	Receivable from Employees' Provident Fund Trust		16,811	-
	Others		262,650	240,130
			324,764	287,105
	Less: Provision against doubtful receivables	20.1	2,593	2,593
			322,171	284,512
20.1	Provision for doubtful receivables			
	Balance as at 01 October		2,593	2,448
	Provision for the year		-	145
	Balance as at 30 September		2,593	2,593

		NOTE	2022	2021
			Rupees in thousand	
21.	CASH AND BANK BALANCES			
	With banks:			
	In current accounts		29,294	413
	In saving accounts	21.1	599	603
			29,893	1,016
	Cash in hand		746	889
			30,639	1,905

21.1 These carry profit at the rates ranging from 3.00% to 13.50% (2021: 3.00% to 5.50%) per annum.

21.2 Cash with banks include balance of Rs. 10.958 million (2021: Rs. 0.691 million) with BankIslami Pakistan Limited, a related party.

		NOTE	2022	2021
			Rupees in thousand	
22.	NON-CURRENT ASSETS HELD FOR SALE			

The non-current assets classified as held for sale under IFRS-5 'Non Current Assets held for Sale and Discontinued Operations' are summarized hereunder:

	NOTE	2022	2021
Property, plant and equipment	22.1	90,248	335,180

Specific items of freehold land, plant and machinery of Sugar segment of the Company were presented as held for sale following the approval of Board of Directors (BOD) of the Company in the meeting held on 04 January 2021. Significant portion of these assets has been disposed, while an item of plant and machinery has been transferred back to property, plant and equipment as decided by the BOD of the Company in their meeting held on 28 July 2022, because the specific item of plant and machinery can be used by the Company in its operations by overhauling / updation. However for the remaining item of non-current assets held for sale of Rs. 90.248 million, the management is hopeful of completing the sale transaction during the next financial year.

22.1 Reconciliation of non-current assets held for sale

	NOTE	2022	2021
Book value of assets transferred from property, plant and equipment:			
Freehold land		-	148,548
Plant and machinery		335,180	425,428
		335,180	573,976
Less: Book value of assets disposed of during the year			
Freehold land		-	148,548
Plant and machinery		149,207	90,248
		149,207	238,796
		185,973	335,180
Less: Book value of assets transferred to property, plant and equipment	12.1	95,725	-
Carrying value of non-current assets held for sale as at 30 September 2022		90,248	335,180

22.1.1 Disposal of plant and machinery classified as non-current assets held for sale was made during the year against sale consideration of Rs. 174.599 million.

		NOTE	2022	2021
			Rupees in thousand	
23.	REVENUE FROM CONTRACTS WITH CUSTOMERS			
	Local sales	23.1	9,980,916	7,835,459
	Export sales		2,344,654	1,326,304
			12,325,570	9,161,763
23.1	Local sales			
	Sugar		10,219,641	7,176,368
	By-products		800,786	535,191
	Biofuel		352,794	250,207
	Yarn, polyester and cotton		310,577	1,118,864
	Farm		46,139	54,017
	Waste		242	13,970
			11,730,179	9,148,617
	Less: Sales tax and federal excise duty		1,749,263	1,313,158
			9,980,916	7,835,459

23.2 Revenue recognized during the year from the contract liabilities at the beginning of the year is Rs. 329.763 million (2021: Rs. 128.385 million).

23.3 Revenue is recognized at point in time as per the terms and conditions of underlying contracts with customers.

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		NOTE	2022	2021
			Rupees in thousand	
24.	COST OF SALES			
	Raw materials consumed	24.1	9,210,727	7,414,842
	Cost of raw material sold		12,723	14,933
	Salaries, wages and other benefits	24.2	512,653	532,604
	Stores, spare parts and loose tools consumed		156,209	123,262
	Dyes and chemicals consumed		82,328	48,710
	Loading and unloading charges		4,809	4,333
	Packing materials consumed		102,598	63,709
	Fuel and power		717,121	733,715
	Repairs and maintenance		45,701	37,627
	Insurance		8,565	8,936
	Vehicle running and maintenance		8,634	6,159
	Travelling and conveyance		1,411	1,512
	Printing and stationery		546	422
	Rent, rates and taxes		3,931	2,721
	Land preparation and irrigation expenses		3,550	7,430
	Sugarcane research and development		1,765	1,641
	Fair value adjustment of agricultural assets	13.3	13,351	5,959
	Depreciation	12.1.6	985,557	483,135
	Miscellaneous		32,642	26,601
			11,904,821	9,518,251
	Work-in-process			
	Opening stock		13,283	16,100
	Closing stock		(11,399)	(13,283)
			1,884	2,817
	Cost of goods manufactured		11,906,705	9,521,068
	Finished goods			
	Opening stock		326,366	557,227
	Closing stock		(278,214)	(326,366)
			48,152	230,861
			11,954,857	9,751,929
24.1	Raw materials consumed			
	Opening stock		21,548	41,789
	Add: Purchased during the year		9,194,808	7,394,601
			9,216,356	7,436,390
	Less: Closing stock		(5,629)	(21,548)
			9,210,727	7,414,842
24.2	Salaries, wages and other benefits include following in respect of retirement benefits:			
	Pension Fund	6.1.3.1	35,111	23,923
	Gratuity Fund	6.2.3.1	7,687	5,744
	Employees' Provident Fund Trust		7,401	5,917
			50,199	35,584

		NOTE	2022	2021
			Rupees in thousand	
25.	DISTRIBUTION COST			
	Storage tank charges		30,919	22,638
	Freight and forwarding		134,553	79,527
	Handling and distribution		1,431	1,666
	Commission to selling agents		8,605	7,787
	Salaries and other benefits	25.1	5,910	5,430
	Insurance		1,948	1,859
	Sales promotion expenses		828	542
			184,194	119,449
25.1	Salaries and other benefits include following in respect of retirement benefits:			
	Pension Fund	6.1.3.1	346	235
	Gratuity Fund	6.2.3.1	75	56
	Employees' Provident Fund Trust		73	212
			494	503

		NOTE	2022	2021
			Rupees in thousand	
26.	ADMINISTRATIVE EXPENSES			
	Salaries, wages and other benefits	26.1	279,633	280,001
	Repairs and maintenance		9,597	7,187
	Insurance		4,064	4,031
	Vehicle running and maintenance		11,277	7,645
	Travelling and conveyance		2,861	1,201
	Printing and stationery		1,090	856
	Electricity and gas		3,694	2,722
	Telephone and postage		3,870	3,299
	Legal and professional		18,458	20,100
	Auditor's remuneration	26.2	2,780	2,780
	Rent, rates and taxes		6,512	7,374
	Staff training and development		136	131
	Entertainment		4,122	3,713
	Fee and subscription		8,040	7,348
	Advertisement		329	329
	Registered office expenses		1,062	988
	Depreciation	12.1.6	18,812	14,826
	Others		1,666	1,379
			378,003	365,910

		NOTE	2022	2021
			Rupees in thousand	
26.1	Salaries, wages and other benefits include following in respect of retirement benefits:			
	Pension Fund	6.1.3.1	18,449	13,590
	Gratuity Fund	6.2.3.1	4,039	3,256
	Employees' Provident Fund Trust		3,889	5,462
			26,377	22,308
26.2	Auditor's remuneration			
	Audit fee - stand alone		1,485	1,485
	Fees for half yearly review, consolidation and other certifications		1,085	1,085
	Reimbursable expenses		210	210
			2,780	2,780

		NOTE	2022	2021
			Rupees in thousand	
27.	OTHER EXPENSES			
	Social action programme expenses including salaries	27.1	5,910	5,744
	Waste water drainage		8,594	3,151
	Allowance for expected credit losses	18.2	-	24
	Provision for doubtful loans and advances	19.2	378	2,538
	Provision for doubtful other receivables		-	145
	Loss on sale of property, plant and equipment	12.1.3	4,935	72,152
			19,817	83,754
27.1	Social action programme salaries expenses include following in respect of retirement benefits:			
	Pension Fund	6.1.3.1	414	154
	Gratuity Fund	6.2.3.1	91	31
	Employees' Provident Fund Trust		87	106
			592	291

	NOTE	2022	2021
		Rupees in thousand	
28. OTHER INCOME			
Income from financial assets			
Return on bank deposits		313	137
Net exchange gain		46,489	10,305
Reversal of allowance for expected credit losses	18.2	1,580	-
		48,382	10,442
Income from non-financial assets			
Scrap sales		13,163	37,820
Gain on sale of non-current assets held for sale		25,392	113,705
Income from livestock - net		6,443	75
Liabilities no longer payable written back		15,307	3,780
Rental income		26,042	21,076
Amortization of deferred income - Government grant		6,833	16,219
Others		3,703	1,793
		96,883	194,468
		145,265	204,910

	NOTE	2022	2021
		Rupees in thousand	
29. FINANCE COST			
Mark up on:			
Long term financing		29,200	53,893
Short term borrowings		125,694	106,872
Due to Gratuity Fund and Pension Fund - related parties		26,285	-
Bank and other charges		155,119	114,260
		336,298	275,025
30. TAXATION			
Charge for the year:			
Current	30.1	183,905	111,701
Prior year		(45,933)	-
		137,972	111,701
Deferred		(250,808)	111,943
		(112,836)	223,644

30.1 Provision for current taxation represents the tax deducted against export sales, minimum tax on local sales and tax on different heads of other income under the relevant provisions of the Income Tax Ordinance, 2001. Provision for super tax on income is calculated as per section 4C of the Income Tax Ordinance, 2001. Unused tax losses available for carry forward including unabsorbed depreciation as at 30 September 2022 are of Rs. 8,352.850 million (2021: Rs. 9,215.756 million). Reconciliation of tax expenses and product of accounting profit multiplied by the applicable tax rate is not presented in view of unused tax losses of the Company.

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			2022	2021
31.	LOSS PER SHARE - BASIC AND DILUTED			
	There is no dilutive effect on basic loss per share of the Company which is based on:			
	Loss for the year Rupees in thousand		(225,302)	(1,387,910)
	Weighted average number of ordinary shares (Numbers)		125 000 000	125 000 000
	Loss per share (Rupees)		(1.80)	(11.10)

			2022	2021
			Rupees in thousand	
32.	CASH GENERATED FROM OPERATIONS			
	Loss before taxation		(338,138)	(1,164,266)
	Adjustments for non-cash charges and other items:			
	Depreciation		1,004,369	497,961
	Liabilities no longer payable written back		(15,307)	(3,780)
	Loss on sale of property, plant and equipment		4,935	72,152
	Gain on sale of non-current assets held for sale		(25,392)	(113,705)
	Fair value adjustment of agricultural assets		13,351	5,959
	(Reversal of allowance) / allowance for expected credit losses		(1,580)	24
	Provision for doubtful other receivables		-	145
	Provision for doubtful loans and advances		378	2,538
	Provision for employees' retirement benefits		66,212	46,989
	Share of profit from equity accounted investee		(64,196)	(65,128)
	Amortization of deferred grant		(6,833)	(16,219)
	Finance cost		336,298	275,025
	Working capital changes	32.1	(102,796)	932,741
			871,301	470,436
32.1	Working capital changes			
	(Increase) / decrease in current assets:			
	- Stores, spare parts and loose tools		(1,446)	5,024
	- Stock-in-trade		65,955	253,919
	- Biological assets		(11,871)	(732)
	- Trade debts		19,276	118,804
	- Loans and advances		(225,369)	14,029
	- Prepayments and other receivables		(37,659)	(805)
			(191,114)	390,239
	Increase in trade and other payables		88,318	542,502
			(102,796)	932,741

32.2 Reconciliation of movement of liabilities to cash flows arising from financing activities:

	2022				2021			
	Unclaimed Dividend	Long term financing	Short term borrowings	Total	Unclaimed Dividend	Long term financing	Short term borrowings	Total
	---------- Rupees in thousand ----------							
Balance as at 01 October	1,944	410,105	935,000	1,347,049	1,954	456,919	1,415,698	1,874,571
Dividend paid	(28)	-	-	(28)	(10)	-	-	(10)
Loans availed	-	-	875,000	875,000	-	165,700	1,442,839	1,608,539
Repayment of loans	-	(375,525)	(875,000)	(1,250,525)	-	(217,531)	(1,923,537)	(2,141,068)
Fair value adjustment	-	6,833	-	6,833	-	5,017	-	5,017
Balance as at 30 September	1,916	41,413	935,000	978,329	1,944	410,105	935,000	1,347,049

33. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements in respect of remuneration including all benefits to Chief Executive Officer, directors and executives of the Company are as follows:

	Chief Executive Officer		Executive Director		Non-Executive Directors		Executives	
	2022	2021	2022	2021	2022	2021	2022	2021
	---------- Rupees in thousand ----------							
Managerial remuneration	12,708	11,553	6,000	6,000	-	-	77,217	88,665
Allowances								
House rent	5,719	5,199	2,400	2,400	-	-	22,558	28,329
Utilities	1,271	1,155	600	600	-	-	5,489	6,781
Medical	-	-	480	480	-	-	5,240	5,640
Others	-	-	-	-	-	-	1,449	1,875
Contribution to retirement benefits	4,490	4,082	2,120	2,120	-	-	14,117	14,481
Meeting fee	-	-	-	-	840	820	-	-
	24,188	21,989	11,600	11,600	840	820	126,070	145,771
Number of persons	1	1	1	1	6	6	28	32

33.1 The Chief Executive Officer, some directors and some executives are provided with company maintained car, travel facilities

34. PROVIDENT FUND RELATED DISCLOSURE

As at the reporting date, Shakarganj Mills Limited - Employees' Provident Fund Trust is in the process of regularizing its investments in accordance with section 218 of the Companies Act, 2017 and the regulations formulated for this purpose by Securities and Exchange Commission of Pakistan.

35. NUMBER OF EMPLOYEES

	2022	2021
Number of employees as at 30 September	896	1 300
Average number of employees during the year	990	1 390

36. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiary company, associated companies, other related parties, employees' retirement benefit funds and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties along with basis of relationship, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Name of related party	Basis of relationship	Nature of transactions	2022	2021
			Rupees in thousand	
Subsidiary company				
Shakarganj Food Products Limited (SFPL)	Common CEO and 52.39% (2021: 52.39%) of shareholding in SFPL	Sale of goods	63,513	183,104
		Common expenses shared	2,291	5,089
Associated companies				
Crescent Steel and Allied Products Limited (CSAPL)	Associate due to shareholding by CSAPL in the Company of 21.93% (2021: 21.93%)	Purchase of goods	543,566	533,641
		Common expenses shared	12,327	8,670
		Sale of goods and rendering of services	605,737	483,878
		Stores consumed by CSAPL	-	275
		Stores consumed by the Company	899	324
Premier Insurance Limited	Common directorship	Insurance expense	7,144	10,031
BankIslami Pakistan Limited	Subsidiary's associate	Mark-up expense on borrowing	47,225	35,434
Other related parties				
Begum Balqies Saleem	Mother of CEO	Service charges accrued	5,046	6,269
Post employment benefit plans	Employees' Provident Fund Trust, Gratuity Fund and Pension Fund	Expense charged in respect of:		
		Employees' Provident Fund Trust	11,450	11,697
		Pension Fund	54,320	37,902
		Gratuity Fund	11,892	9,031
		Other transactions with Gratuity Fund and Pension Fund		
		- Funds received	254,548	-
		- Mark-up expense	26,285	-

36.1 Detail of compensation to key management personnel comprising of Chief Executive Officer, directors and executives is disclosed in Note 33.

		2022	2021

37. PLANT CAPACITY AND ACTUAL PRODUCTION

Sugar

Jhang

Rated crushing capacity	(MT / day)	10 000	10 000
On the basis of 145 days (2021: 114 days)	(MT)	1 450 000	1 140 000
Actual sugarcane crushed	(MT)	713 856	518 192

Bhone

Rated crushing capacity	(MT / day)	6 000	6 000
On the basis of 138 days (2021: 109 days)	(MT)	828 000	660 000
Actual sugarcane crushed	(MT)	633 795	487 883

The low crushing was due to low quality sugarcane.

Biofuel

Jhang

Rated production capacity	(Litres / day)	150 000	150 000
On the basis of average number of			
106 days (2021: 64 days) working	(Litres)	15 900 000	9 600 000
Actual production	(Litres)	9 595 800	6 343 333

Bhone

Rated production capacity	(Litres / day)	200 000	200 000
On the basis of average number of			
128 days (2021: 103 days) working	(Litres)	25 600 000	20 600 000
Actual production	(Litres)	11 976 825	8 856 444

Major reason for low production was due to non-availability of raw material at feasible prices.

Textile

Capacity (converted in 20s counts)	(Kgs)	9 198 418	9 198 418
Actual production (converted in 20s counts)	(Kgs)	-	5 930 820

The textile unit remained closed due to non-availability of raw materials at feasible price.

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38. SEGMENT INFORMATION

Rupees in thousand

	Sugar		Biofuel		Textile		Farms		Elimination of Inter-segment transactions		Total - Company	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenue from contracts with customers												
External	9,369,021	6,596,388	2,650,538	1,543,292	259,872	968,066	46,139	54,017	-	-	12,325,570	9,161,763
Inter segment	1,361,840	1,086,777	71,277	24,396	-	-	8,010	9,107	(1,441,127)	(1,120,280)	-	-
	10,730,861	7,683,165	2,721,815	1,567,688	259,872	968,066	54,149	63,124	(1,441,127)	(1,120,280)	12,325,570	9,161,763
Cost of sales	(10,809,116)	(8,239,224)	(2,204,090)	(1,598,825)	(322,939)	(981,188)	(59,839)	(52,972)	1,441,127	1,120,280	(11,954,857)	(9,751,929)
Gross (loss) / profit	(78,255)	(556,059)	517,725	(31,137)	(63,067)	(13,122)	(5,690)	10,152	-	-	370,713	(590,166)
Distribution cost	(16,218)	(15,061)	(166,831)	(102,165)	(1,145)	(2,223)	-	-	-	-	(184,194)	(119,449)
Administrative expenses	(265,451)	(271,884)	(67,078)	(55,564)	(44,701)	(37,550)	(773)	(912)	-	-	(378,003)	(365,910)
(Loss) / profit before taxation and unallocated expenses / income	(359,924)	(843,004)	283,816	(188,866)	(108,913)	(52,895)	(6,463)	9,240	-	-	(191,484)	(1,075,525)
Unallocated expenses / income:												
Other expenses											(19,817)	(83,754)
Other income											145,265	204,910
Finance cost											(336,298)	(275,025)
Share of profit from equity accounted investee											64,196	65,128
Taxation											112,836	(223,644)
Loss after taxation											(225,302)	(1,387,910)

38.1 Reconciliation of reportable segment assets and liabilities:

Rupees in thousand

	Sugar		Biofuel		Textile		Farms		Total - Company	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Total assets for reportable segments	9,795,069	10,304,250	5,130,872	4,988,417	590,394	858,091	649,536	818,929	16,165,871	16,969,687
Unallocated assets									2,396,134	2,166,173
Total assets as per statement of financial position									18,562,005	19,135,860
Total liabilities for reportable segments	5,012,760	4,836,780	1,481,308	1,846,491	211,319	516,799	20,430	18,645	6,725,817	7,218,715
Unallocated liabilities									1,327,792	696,231
Total liabilities as per statement of financial position									8,053,609	7,914,946

38.2 Geographical information

The Company's segment wise revenue from external customers as per geographical locations is detailed below:

Rupees in thousand

	Sugar		Biofuel		Textile		Farms		Total - Company	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Netherlands	-	-	1,998,553	635,626	-	-	-	-	1,998,553	635,626
Italy	-	-	346,101	-	-	-	-	-	346,101	-
United Kingdom	-	-	-	68,897	-	-	-	-	-	68,897
China	-	-	-	621,781	-	-	-	-	-	621,781
Pakistan	9,369,021	6,596,388	305,884	216,988	259,872	968,066	46,139	54,017	9,980,916	7,835,459
	9,369,021	6,596,388	2,650,538	1,543,292	259,872	968,066	46,139	54,017	12,325,570	9,161,763

38.3 The Company's revenue from external customers in respect of products is detailed below:

	Sugar 2022	Sugar 2021	Biofuel 2022	Biofuel 2021	Textile 2022	Textile 2021	Farms 2022	Farms 2021	Total 2022	Total 2021
Sugar	8,667,139	6,130,037	-	-	-	-	-	-	8,667,139	6,130,037
By-products	701,882	466,351	5,199	4,029	-	-	-	-	707,081	470,380
Biofuel	-	-	2,645,339	1,539,263	-	-	-	-	2,645,339	1,539,263
Yarn, polyester and cotton	-	-	-	-	259,665	956,132	-	-	259,665	956,132
Farm	-	-	-	-	-	-	46,139	54,017	46,139	54,017
Waste	-	-	-	-	207	11,934	-	-	207	11,934
	9,369,021	6,596,388	2,650,538	1,543,292	259,872	968,066	46,139	54,017	12,325,570	9,161,763

38.4 All non-current assets of the Company as at reporting dates are located and operating in Pakistan.

38.5 One (2021: Nil) major customer of the Company's Biofuel segment contributed Rupees 1,998.553 million (2021: Rupees Nil) in total revenue of the Company. There was no major customer of other segments of the Company.

39. FINANCIAL RISK MANAGEMENT

39.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

(a) Market risk

A market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as currency risk, other price risk and interest rate risk. The objective of market risk management is to manage and control market risk exposure within an acceptable range.

(i) Currency risk

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. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Company is not exposed to any currency risk at statement of financial position date as it doesn't have any outstanding balance in foreign currency.

(ii) Other price risk

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

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange Limited (PSX) Index on the Company's equity (fair value reserve of FVTOCI investments). The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Company's equity instruments moved according to the historical correlation with the index:

Index	Impact on statement of other comprehensive income (fair value reserve)	
	2022	2021
	Rupees in thousand	
PSX 100 (5% increase)	339	505
PSX 100 (5% decrease)	(339)	(505)

Equity (fair value reserve) would increase / decrease as a result of gains / losses on equity investments classified as FVTOCI.

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk arises from long term financing, short term borrowings and deposit in saving accounts. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments at fixed rate expose the Company to fair value interest rate risk.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	2022	2021
	Rupees in thousand	
Fixed rate instruments		
Financial liabilities		
Long term financing	41,413	200,233
Floating rate instruments		
Financial assets		
Bank balances - saving accounts	599	603
Financial liabilities		
Long term financing	-	209,872
Short term borrowings	935,000	935,000

Fair value sensitivity 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 profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the year end date, fluctuates by 1% higher / lower with all other variables held constant, loss after taxation for the year would have been Rs. 9.344 million (2021: Rs. 11.443 million) higher / lower mainly as a result of higher / lower interest expense / income on floating rate financial instruments. This analysis is prepared assuming the amounts of financial instruments outstanding at reporting dates were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

Investments	6,777	10,100
Trade debts	65,085	82,781
Loans and advances	2,980	9,464
Deposits	36,135	36,135
Other receivables	18,971	7,619
Bank balances	29,893	1,016
	159,841	147,115

To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Sales contracts and credit terms are approved by the senior management and where considered necessary, advance payments are obtained from certain parties. The management has set a maximum credit period limit for each type of customers in order to reduce the credit risk.

The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts. Management uses actual historical credit loss experience, credit risk characteristics and past days due, adjusted for forward-looking factors specific to the debtors and the economic environment to determine expected credit loss allowance.

The Company's exposure to credit risk and allowance for expected credit losses related to trade debts is disclosed in Note 18.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

Banks	Rating			2022	2021
	Short term	Long term	Agency	Rupees in thousand	
Conventional accounts					
Allied Bank Limited	A1+	AAA	PACRA	3	6
Bank Alfalah Limited	A1+	AA+	PACRA	65	72
Habib Bank Limited	A-1+	AAA	VIS	1,890	-
MCB Bank Limited	A1+	AAA	PACRA	14,202	45
National Bank of Pakistan	A-1+	AAA	VIS	362	137
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	29	29
Askari Bank Limited	A1+	AA+	PACRA	1	1
United Bank Limited	A-1+	AAA	VIS	11	-
				16,563	290

Banks	Rating			2022	2021
	Short term	Long term	Agency	Rupees in thousand	
Shariah compliant accounts					
Askari Bank Limited	A1+	AA+	PACRA	12	12
BankIslami Pakistan Limited	A1	A+	PACRA	10,958	691
Bank Alfalah Limited	A1+	AA+	PACRA	15	14
Dubai Islamic Bank Pakistan Limited	A-1+	AA	VIS	39	2
Meezan Bank Limited	A-1+	AAA	VIS	2,306	7
				13,330	726
				29,893	1,016

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At 30 September 2022, the Company had Rs. 1,034.300 million (2021: Rs. 1,034.300 million) available borrowing limits from financial institutions and Rs. 30.639 million (2021: Rs. 1.905 million) cash and bank balances. Management believes the liquidity risk to be low. Followings are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the tables are undiscounted cash flows.

Contractual maturities of financial liabilities as at 30 September 2022:

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months
	---------------Rupees in thousand---------------			
Non-derivative financial liabilities:				
Long term financing	41,413	41,422	41,422	-
Trade and other payables	958,328	958,328	958,328	-
Unclaimed dividend	1,916	1,916	1,916	-
Accrued mark-up	52,735	52,735	52,735	-
Short term borrowings	935,000	953,607	953,607	-
	1,989,392	2,008,008	2,008,008	-

Contractual maturities of financial liabilities as at 30 September 2021:

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months
Non-derivative financial liabilities:				
Long term financing	410,105	420,042	294,870	125,172
Trade and other payables	1,316,816	1,316,816	1,316,816	-
Unclaimed dividend	1,944	1,944	1,944	-
Accrued mark-up	56,524	56,524	56,524	-
Short term borrowings	935,000	953,420	953,420	-
	2,720,389	2,748,746	2,623,574	125,172

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark up rates effective as at 30 September. The rates of interest / mark-up have been disclosed in Note 5 and Note 9 to these financial statements.

Carrying amount of long term financing as at 30 September 2022 includes overdue installments of principal amounting to Rs. 41.413 million (2021: Rs. 81.581 million).

39.2 Financial instruments by categories

	2022			2021		
	At amortized cost	At FVTOCI	Total	At amortized cost	At FVTOCI	Total
	---------------------------------Rupees in thousand-----------------------------------					
Assets as per statement of financial position						
Investments	-	6,777	6,777	-	10,100	10,100
Loans and advances	2,980	-	2,980	9,464	-	9,464
Deposits	36,135	-	36,135	36,135	-	36,135
Other receivables	18,971	-	18,971	7,619	-	7,619
Trade debts	65,085	-	65,085	82,781	-	82,781
Cash and bank balances	30,639	-	30,639	1,905	-	1,905
	153,810	6,777	160,587	137,904	10,100	148,004

	2022	2021
	At amortized cost	
	Rupees in thousand	
Liabilities as per statement of financial position		
Long term financing	41,413	410,105
Short term borrowings	935,000	935,000
Trade and other payables	958,328	1,316,816
Accrued mark-up	52,735	56,524
Unclaimed dividend	1,916	1,944
	1,989,392	2,720,389

39.3 Reconciliation of financial assets and financial liabilities to the line items presented in the statement of financial Position is as follows

	2022			2021		
	Financial assets	Other than financial assets	Total as per statement of financial position	Financial assets	Other than financial assets	Total as per statement of financial position
	Rupees in thousand					
Assets as per statement of financial position						
Investments	6,777	1,908,960	1,915,737	10,100	1,727,473	1,737,573
Loans and advances	2,980	266,966	269,946	9,464	35,491	44,955
Deposits	36,135	-	36,135	36,135	-	36,135
Prepayments and other receivables	18,971	303,200	322,171	7,619	276,893	284,512
Trade debts	65,085	-	65,085	82,781	-	82,781
Cash and bank balances	30,639	-	30,639	1,905	-	1,905
	160,587	2,479,126	2,639,713	148,004	2,039,857	2,187,861

	2022			2021		
	Financial liabilities	Other than financial liabilities	Total as per statement of financial position	Financial liabilities	Other than financial liabilities	Total as per statement of financial position
	Rupees in thousand					
Long term financing	41,413	-	41,413	410,105	-	410,105
Short term borrowings	935,000	-	935,000	935,000	-	935,000
Trade and other payables	958,328	2,451,524	3,409,852	1,316,816	2,020,025	3,336,841
Accrued mark-up	52,735	-	52,735	56,524	-	56,524
Unclaimed dividend	1,916	-	1,916	1,944	-	1,944
	1,989,392	2,451,524	4,440,916	2,720,389	2,020,025	4,740,414

39.4 Offsetting financial assets and financial liabilities

As on reporting date, recognized financial instruments are not subject to offsetting as there are no enforceable master netting arrangements and similar agreements.

39.5 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain strong capital base. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends to be paid to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent long term financing and short term borrowings obtained by the Company as referred in Note 5 and Note 9. Total capital employed includes 'total equity' as shown in the statement of financial position plus 'borrowings'. The Company's strategy remained unchanged from last year.

		2022	2021
Borrowings	Rupees in thousand	976,413	1,345,105
Total equity	Rupees in thousand	10,508,396	11,220,914
Total capital employed	Rupees in thousand	11,484,809	12,566,019
Gearing ratio	Percentage	8.50	10.70

Decrease in gearing ratio resulted primarily due to decrease in borrowings.

40. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into following three levels. An explanation of each level follows underneath the table:

Recurring fair value measurements	Level 1	Level 2	Level 3	Total
	-------------------------RUPEES IN THOUSAND------------------------			
Financial assets				
At 30 September 2022				
At fair value through other comprehensive income	6,777	-	-	6,777
At 30 September 2021				
At fair value through other comprehensive income	10,100	-	-	10,100

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to the short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer out of level 3 measurements.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation technique used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices for listed securities.

41. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

The judgements and estimates are made for the non-financial assets that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels.

	Level 1	Level 2	Level 3	Total
	------------------Rupees in thousand------------------			
At 30 September 2022				
Recurring fair value measurements				
Freehold land	-	2,906,905	-	2,906,905
Building	-	1,319,488	-	1,319,488
Plant and machinery	-	10,826,398	-	10,826,398
Biological assets	-	30,204	2,881	33,085
Total non-financial assets	-	15,082,995	2,881	15,085,876
At 30 September 2021				
Recurring fair value measurements				
Freehold land	-	2,924,805	-	2,924,805
Building	-	1,445,383	-	1,445,383
Plant and machinery	-	11,622,401	-	11,622,401
Biological assets	-	18,333	16,232	34,565
Total non-financial assets	-	16,010,922	16,232	16,027,154

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further, there was no transfer in and out of level 3 measurements.

(ii) Valuation techniques used to determine level 2 fair values

The Company obtains independent valuation for its freehold land, building, plant and machinery at least after every three years. The management updates the assessment of the fair value of property, plant and equipment taking into account the most recent independent valuation. The management determines the value of these assets within a range of reasonable fair value estimates. The best evidence of fair value of land is current prices in an active market for similar lands. The best evidence of fair value of building is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the new construction / replacement value of the same building. The best evidence of fair value of plant and machinery is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the value of new plant and machinery of the same specifications. The fair value of standing crops is based on the support price fixed by the Government and other factors such as estimated crop yield and area under cultivation. The fair value of livestock is estimated on the basis of market prices of livestock of similar age, breed and genetic merit.

Valuation processes

The Company engages external, independent and qualified valuer to determine the fair value of the Company's freehold land, building, plant and machinery after three years. The fair value of these assets has been determined by an independent valuer Messrs Hamid Mukhtar and Company (Private) Limited on 30 September 2021. The fair value of biological assets are determined by the related experts keeping in view the current market conditions and other salient factors.

42. DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX

Description	NOTE	2022	2021
		Rupees in thousand	
Revenue earned from shariah compliant business	23	12,325,570	9,161,763
Gain / (loss) or dividend earned from shariah complaint investments			
Unrealized loss on remeasurement of investments at FVTOCI		(3,323)	(3,123)
Net exchange gain	28	46,489	10,305
Shariah compliant bank deposits and bank balances			
Bank balances	39	13,330	726
Profit earned from shariah compliant bank deposits			
Profit on deposits with banks	28	1	1
Mark-up accrued on Islamic mode of financing	36	47,225	35,434
Profit earned or interest paid on any conventional loan / advance			
Mark-up on long term financing	29	29,200	53,893
Mark-up on short term borrowings	29	78,469	71,438
Profit earned on deposits with banks	28	312	136
Loans / advances obtained as per Islamic mode			
Contract liabilities	8	361,048	487,887
Short term borrowings	9	425,000	425,000

There was no dividend on any investment. The relationship with shariah compliant banks is related to bank accounts as given in Note 39.1(b) and short term borrowings obtained from BankIslami Pakistan Limited, a related party as mentioned in Note 9.1.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

43. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of better presentation and comparison. However, no significant re-arrangements have been made.

44. DATE OF AUTHORIZATION

These financial statements have been authorized for issue on 31 January 2023 by the Board of Directors of the Company.

45. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.

Chief Executive Officer   Director   Chief Financial Officer

Shakarganj Limited

Financial Statements (Consolidated)

For The Year Ended
30 September 2022

CONSOLIDATED DIRECTORS' REPORT

The directors of Shakarganj Limited have pleasure in presenting their report together with the audited consolidated financial statements of the Group for the year ended 30 September 2022. The Group comprises of Shakarganj Limited and its partially owned subsidiary namely Shakarganj Food Products Limited.

The comments on performance of Shakarganj Limited for the year ended 30 September 2022 has been presented separately in directors' report.

Group Financial Results

The financial results of the Company are summarised below:

		2022	2021
		Rupees in thousand	
Revenue		30,309,676	27,022,450
Gross profit		2,838,922	1,782,160
Loss from operations		(404,027)	(335,000)
Loss before taxation		(330,429)	(928,996)
Taxation		176,894	(534,757)
Loss for the year		(153,535)	(1,463,753)
Loss per share - basic and diluted	(Rupees)	(1.69)	(12.18)

On a Group basis, the consolidated Statement of Financial Position footing stood at Rs. 27,149.95 million as at 30 September 2022, compared to Rs. 27,669.63 million as at 30 September 2021. Total equity decreased to Rs. 12,146.81 million on the year end 30 September 2022 from Rs. 12,680.97 million as at 30 September 2021.

Pattern of Shareholding and Shares Traded

The pattern of shareholding and additional information thereof is attached with this report. No trade in the shares of the Company was reported / carried out by the directors, executives and their spouses and minor children.

Subsequent Events and Commitments

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which this financial position relates and the date of the directors' report.

Acknowledgment

The Directors wish to express their appreciation to the staff & workers of the Company for their dedication and devotion to the Company. The Directors feel pleasure in expressing appreciation for the continued interest and support of the shareholders, bankers and all other parties involved and hope that the same spirit will prevail in the future as well.

By Order of the Board

Anjum Muhammad Saleem
Chief Executive Officer

Ali Altaf Saleem
Director

31 January 2023

Riaz Ahmad & Company
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the members of Shakarganj Limited

Report on the Audit of the Consolidated Financial Statements

Adverse Opinion

We have audited the annexed consolidated financial statements of Shakarganj Limited (the Holding Company) and its Subsidiary Company (the Group), which comprise the consolidated statement of financial position as at 30 September 2022, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of our report, the consolidated financial statements do not give a true and fair view of the consolidated financial position of the Group as at 30 September 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Adverse Opinion

The Group has suffered loss after taxation of Rs. 153.535 million during the current year and has accumulated losses of Rs. 3,380.018 million as at the reporting date. The current liabilities of the Group exceeded its current assets by Rs. 6,317.170 million. The Holding Company has overdue statutory obligations. The textile segment of the Holding Company remained closed during the whole year. The management of the Holding Company has firmed up a turnaround plan based on disposal of the Bhone Unit of the Holding Company which includes Sugar and Biofuel divisions. However, we noted that certain shareholders of the Holding Company have filed petitions in Sindh High Court, Karachi and Lahore High Court, Lahore and obtained stay on 29 November 2021 and 25 February 2022 respectively from the respective Courts regarding the approval of disposal of certain agricultural land of the Holding Company. As the going concern assumption used in preparation of these consolidated financial statements is dependent upon roll out of the aforesaid turnaround plan and whose roll out requires prior approval of shareholders of the Holding Company in their general meeting and such approval of shareholders and disposal of the Bhone Unit is unlikely in current litigation scenario, hence this situation indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. These consolidated financial statements do not adequately disclose this fact.

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants'

A member of Nexia International

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 adverse opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the *Basis of Adverse Opinion* section we have determined the matters described below to be the key audit matters to be communicated in our report.

Following are the Key audit matters:

S.No.	Key audit matters	How the matters were addressed in our audit
1.	**Contingencies** As disclosed in Note 13(a)(i) to Note 13(a)(xiii) to the accompanying consolidated financial statements, the Holding Company of the Group has contingent liabilities in respect of various matters, which are pending adjudication before respective authorities and courts of law. Contingencies require management to make judgments and estimates in relation to the interpretation of laws, statutory rules and regulations, and the probability of outcome and financial impact, if any, for disclosure and recognition and measurement of any provisions that may be required against such contingencies in accordance with applicable financial reporting standards. Due to significance of amounts involved, uncertainties with respect to the outcome of matters and use of significant management judgments and estimates to assess the same including related financial impacts, we considered this as a key audit matter. For further information on contingencies, refer to the following: - Summary of significant accounting policies, Contingent liabilities (Note 2.22 and Note 2.1(c) to the consolidated financial statements). - Contingencies [Note 13(a)(i) to Note 13(a)(xiii)] to the consolidated financial statements.	Our audit procedures among others included obtaining an understanding of the process and controls on this area relevant to our audit. Further, we have: • Obtained and reviewed detail of the pending matters and discussed the same with the Holding Company's management; • Reviewed the correspondence of the Holding Company with the relevant authorities, tax and legal advisors, including judgments or orders passed by the competent authorities in relation to the issues involved or matters which have similarities with the issues involved; • Obtained and reviewed confirmations from the Holding Company's external tax and legal advisors for their views on the probable outcome of the open tax assessments and other contingencies. • Involved internal tax professionals to assess reasonability of management's conclusions on such pending matters; • Reviewed and 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.

2.	Revenue Recognition We identified recognition of revenue of sugar, biofuel, textile and farms segments of the Group as a key audit matter because revenue is one of the key performance indicator of the Group and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets. For further information, refer to the following: - Summary of significant accounting policies, Revenue from contracts with customers (Note 2.3 to the consolidated financial statements). - Revenue from contracts with customers (Note 29 to the consolidated financial statements).	Our procedures included, but were not limited to: • We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue; • We compared a sample of revenue transactions recorded during the year with sales orders, sales invoices, delivery documents and other relevant underlying documents; • We compared a sample of revenue transactions recorded around the year-end with the sales orders, sales invoices, delivery documents and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period; • We assessed whether the accounting policies for revenue recognition complies with the requirements of IFRS 15 'Revenue from Contracts with Customers'; • We also considered the appropriateness of disclosures in the consolidated financial statements.

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

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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. Because of the significance of the matters discussed in the *Basis for Adverse Opinion* section of our report, we have concluded that the other information is materially misstated for the same reasons.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Liaqat Ali Panwar.

Riaz Ahmad & Co.

Faisalabad	Riaz Ahmad & Co.
01 February 2023	Chartered Accountants
UDIN: AR202210184yjdZsvOot	

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As AT 30 SEPTEMBER 2022

	NOTE	2022	2021
		Rupees in thousand	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
150 000 000 (2021: 150 000 000) ordinary shares of Rs. 10 each		1,500,000	1,500,000
50 000 000 (2021: 50 000 000) preference shares of Rs. 10 each		500,000	500,000
		2,000,000	2,000,000
Issued, subscribed and paid up share capital	3	1,250,000	1,250,000
Capital reserves			
Surplus on revaluation of property, plant and equipment - net of deferred income tax	4	10,849,580	11,955,684
Other capital reserves	4	1,240,909	1,273,805
		12,090,489	13,229,489
Revenue reserve - General		516,306	516,306
		12,606,795	13,745,795
Accumulated loss		(3,380,018)	(3,819,927)
Equity attributable to equity holders of the Holding Company		10,476,777	11,175,868
Non-controlling interest		1,670,029	1,505,102
Total equity		12,146,806	12,680,970
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	5	457,896	634,097
Long term deposits		-	7,000
Lease liabilities	6	328,007	534,578
Deferred liabilities	7	833,210	575,958
Deferred income tax liability	8	2,840,932	2,660,662
		4,460,045	4,412,295
CURRENT LIABILITIES			
Trade and other payables	9	8,391,203	8,223,571
Short term borrowings	10	1,384,899	1,284,194
Accrued mark-up	11	128,048	85,959
Current portion of non-current liabilities	12	499,224	896,587
Unclaimed dividend		1,916	1,944
Provision for taxation		137,809	84,111
		10,543,099	10,576,366
TOTAL LIABILITIES		15,003,144	14,988,661
CONTINGENCIES AND COMMITMENTS	13		
TOTAL EQUITY AND LIABILITIES		27,149,950	27,669,631

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

Chief Executive Officer

	NOTE	2022	2021
		Rupees in thousand	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	14	21,455,737	22,369,388
Right-of-use assets	15	1,292,499	1,284,228
Intangible asset	16	2,291	3,437
Biological assets	17	30,204	18,333
Long term investments	18	6,777	10,100
Long term loans and advances	19	14,231	12,910
Long term deposits	20	122,282	129,153
		22,924,021	23,827,549
CURRENT ASSETS			
Biological assets	17	2,881	16,232
Stores, spare parts and loose tools	21	271,805	244,503
Stock-in-trade	22	1,323,446	1,968,867
Trade debts	23	196,935	181,513
Loans and advances	24	309,452	117,002
Deposits, prepayments and other receivables	25	1,329,363	594,255
Advance income tax		456,872	100,304
Short-term investment	26	55,000	-
Cash and bank balances	27	77,600	284,226
		4,023,354	3,506,902
Non-current assets held for sale	28	202,575	335,180
		4,225,929	3,842,082
TOTAL ASSETS		27,149,950	27,669,631

Director

Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	NOTE	2022	2021
		Rupees in thousand	
Revenue from contracts with customers	29	30,309,676	27,022,450
Cost of sales	30	(27,470,754)	(25,240,290)
Gross profit		2,838,922	1,782,160
Distribution cost	31	(2,046,023)	(1,712,817)
Administrative expenses	32	(526,531)	(515,082)
Other expenses	33	(35,836)	(115,580)
Other income	34	173,495	226,319
Profit / (loss) from operations		404,027	(335,000)
Finance cost	35	(734,456)	(593,996)
Loss before taxation		(330,429)	(928,996)
Taxation	36	176,894	(534,757)
Loss after taxation		(153,535)	(1,463,753)
Share of (loss) / profit attributable to:			
Equity holders of holding company		(211,873)	(1,522,939)
Non-controlling interest		58,338	59,186
		(153,535)	(1,463,753)
Loss per share - basic and diluted (rupees)	37	(1.69)	(12.18)

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

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	2022	2021
	Rupees in thousand	
LOSS AFTER TAXATION	(153,535)	(1,463,753)
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement of retirement benefits	(174,765)	(50,148)
Related deferred income tax liability	49,331	12,433
	(125,434)	(37,715)
Surplus on revaluation of property, plant and equipment - net	345,319	7,624,939
Related deferred income tax liability	(90,122)	(1,713,330)
	255,197	5,911,609
Deficit arising on remeasurement of investments at fair value through other comprehensive income	(3,323)	(3,123)
Deferred income tax relating to investments at fair value through other comprehensive income	1,509	-
	(1,814)	(3,123)
	127,949	5,870,771
Items that may be reclassified subsequently to statement of profit or loss	-	-
Other comprehensive income for the year - net of deferred income tax	127,949	5,870,771
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR	(25,586)	4,407,018
SHARE OF TOTAL COMPREHENSIVE (LOSS) / INCOME ATTRIBUTABLE TO:		
EQUITY HOLDERS OF HOLDING COMPANY	(201,085)	4,350,953
NON-CONTROLLING INTEREST	175,499	56,065
	(25,586)	4,407,018

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

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE HOLDING COMPANY														NON-CONTROLL-ING INTEREST	TOTAL EQUITY
	SHARE CAPITAL	CAPITAL RESERVES						REVENUE RESERVES				TOTAL RESERVES	ACCUMUL-ATED LOSS	SHAREHOLD-ERS' EQUITY		
		Premium on issue of right shares	Musharakah financing - equity portion	Fair value reserve of investments at fair value through other comprehensive income	Difference of capital under scheme of arrangement of merger	Surplus on revaluation of property, plant and equipment - net of deferred income tax	Sub total	General	Dividend equalization	Equity investment market value equalization	Sub total					
	(RUPEES IN THOUSAND)															
Balance as at 01 October 2020	1,250,000	1,056,373	72,523	(7,898)	155,930	6,600,793	7,877,721	410,606	22,700	83,000	516,306	8,394,027	(2,695,569)	6,948,458	1,449,037	8,397,495
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	-	(271,090)	(271,090)	-	-	-	-	(271,090)	271,090	-	-	-
Adjustment of deferred income tax liability due to re-assessment at year end	-	-	-	-	-	(123,543)	(123,543)	-	-	-	-	(123,543)	-	(123,543)	-	(123,543)
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment - net of deferred income tax	-	-	-	-	-	(162,085)	(162,085)	-	-	-	-	(162,085)	162,085	-	-	-
Transfer from dividend equalization reserve to general reserve	-	-	-	-	-	-	-	22,700	(22,700)	-	-	-	-	-	-	-
Transfer from equity investment market value equalization reserve to general reserve	-	-	-	-	-	-	-	83,000	-	(83,000)	-	-	-	-	-	-
Loss for the year	-	-	-	-	-	-	-	-	-	-	-	-	(1,522,939)	(1,522,939)	59,186	(1,463,753)
Other comprehensive income for the year	-	-	-	(3,123)	-	5,911,609	5,908,486	-	-	-	-	5,908,486	(34,594)	5,873,892	(3,121)	5,870,771
Total comprehensive income for the year	-	-	-	(3,123)	-	5,911,609	5,908,486	-	-	-	-	5,908,486	(1,557,533)	4,350,953	56,065	4,407,018
Balance as at 30 September 2021	1,250,000	1,056,373	72,523	(11,021)	155,930	11,955,684	13,229,489	516,306	-	-	516,306	13,745,795	(3,819,927)	11,175,868	1,505,102	12,680,970
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	-	(629,461)	(629,461)	-	-	-	-	(629,461)	629,461	-	-	-
Adjustment of deferred income tax liability due to re-assessment at year end	-	-	-	-	-	(486,373)	(486,373)	-	-	-	-	(486,373)	-	(486,373)	-	(486,373)
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment - net of deferred income tax	-	-	-	-	-	(123,967)	(123,967)	-	-	-	-	(123,967)	123,967	-	-	-
Conversion of partial musharakah facility in to short term borrowings	-	-	(31,082)	-	-	-	(31,082)	-	-	-	-	(31,082)	19,449	(11,633)	(10,572)	(22,205)
Loss for the year	-	-	-	-	-	-	-	-	-	-	-	-	(211,873)	(211,873)	58,338	(153,535)
Other comprehensive income for the year	-	-	-	(1,814)	-	133,697	131,883	-	-	-	-	131,883	(121,095)	10,788	117,161	127,949
Total comprehensive loss for the year	-	-	-	(1,814)	-	133,697	131,883	-	-	-	-	131,883	(332,968)	(201,085)	175,499	(25,586)
Balance as at 30 September 2022	1,250,000	1,056,373	41,441	(12,835)	155,930	10,849,580	12,090,489	516,306	-	-	516,306	12,606,795	(3,380,018)	10,476,777	1,670,029	12,146,806

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

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	NOTE	2022	2021
		Rupees in thousand	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	38	1,731,798	1,305,385
Finance cost paid		(583,994)	(470,207)
Mark-up paid against lease liabilities		(57,763)	(81,742)
Income tax paid		(471,361)	(285,829)
Net (increase) / decrease in long term loans and advances		(1,321)	2,075
Net decrease / (increase) in long term security deposits		(129)	(3,194)
Workers' profit participation fund paid		(5,000)	-
Employees' benefits paid		(58,823)	(51,307)
Net cash generated from operating activities		553,407	415,181
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(298,658)	(202,399)
Proceeds from sale of property, plant and equipment		176,966	167,068
Proceeds from sale of non-current assets held for sale		174,599	352,501
Investment made		(55,000)	-
Interest received on loan to Sui Northern Gas Pipelines Limited		-	1,062
Net cash from / (used in) investing activities		(2,093)	318,232
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(545,525)	(266,281)
Proceeds from long term financing		-	165,700
Repayment of lease liabilities - net		(193,092)	(197,910)
Short term borrowings - net		(19,295)	(480,698)
Dividend paid		(28)	(10)
Net cash used in from financing activities		(757,940)	(779,199)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(206,626)	(45,786)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		284,226	330,012
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	27	77,600	284,226

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

Chief Executive Officer

Director

Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1. THE GROUP AND ITS OPERATIONS

The Group consists of Shakarganj Limited (the Holding Company) and its Subsidiary Company, Shakarganj Food Products Limited. Brief profiles of the Holding Company and its Subsidiary Company are as follows:

1.1 Shakarganj Limited

Shakarganj Limited (SML) is a public limited company incorporated on 20 September 1967 in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. It is principally engaged in manufacture, purchase and sale of sugar, biofuel and yarn. SML has its principal manufacturing facilities at Jhang and satellite manufacturing facilities at Bhone. The registered office of SML is situated at E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg-III, Lahore.

Geographical locations and addresses of all business units of SML except for the registered office are as follows:

Manufacturing units and offices	Address
Jhang Unit (Sugar, biofuel and textile)	5 KM Toba Tek Singh Road, Jhang
Bhone Unit (Sugar and biofuel)	63 KM Jhang - Sargodha Road, Bhone, Tehsil and District Jhang
Liaison Office	Nishatabad, Chak Jhumra Road, Faisalabad

1.2 Going concern assumption

The Holding Company has suffered loss after taxation of Rs. 225.302 million and its accumulated losses are of Rs. 3,266.419 million as at 30 September 2022. The current liabilities of the Holding Company exceeded its current assets by Rs. 3,450.495 million. Moreover, the Holding Company has overdue statutory obligations. Furthermore Textile segment of the Holding Company remained closed during the whole year. Certain shareholders of the Holding Company have applied to Sindh High Court, Karachi and Lahore High Court, Lahore and obtained stay on 29 November 2021 and 25 February 2022 respectively from the respective courts regarding the approval of disposal of certain agricultural land of the Holding Company. These factors indicate the existence of material uncertainty which may cast significant doubt about the Holding Company's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, the financial statements of the Holding Company have been prepared on going concern basis due to following reasons:

- The Holding Company is making arrangements to sell its agriculture land having market value of Rs. 755.547 million. For this purpose, approval of shareholders has been obtained in Annual General Meeting of the Holding Company held on 28 February 2022 subject to further orders of Lahore High Court, Lahore and Sindh High Court, Karachi along with no objection from lenders. The proceeds through disposal of land will be utilized by the Holding Company to pay to sugarcane growers and to settle the other liabilities of the Holding Company while the remaining proceeds will be utilized for upgradation of plant and machinery of textile and sugar divisions at Jhang.

- The management of the Holding Company has firmed up a turnaround plan based on disposal of the Bhone Unit of the Holding Company which includes Sugar and Biofuel divisions. Book value of freehold land, building and plant and machinery as at 30 September 2022 is Rs. 8.112 billion. Price discovery by the management for the whole Bhone Unit of the Holding Company including related licenses / rights when built in the future plan results in debt free business, surplus funds and profits for the Holding Company. The management has planned to seek required approvals for roll out of the turnaround plan before the end of financial year 30 September 2023.

- One of the largest shareholders of the Holding Company has affirmed its commitment to fully financially support the Holding Company, in case of any need.

- The Holding Company undertook significant operational measures during the year to improve its productivity. During the year, the Holding Company has crushed 1 347 651 MT of sugarcane which has increased by almost 34% as compared to 1 006 075 MT of sugarcane crushed in the corresponding year and produced 126 112 MT of sugar in current season which has increased by more than 37% as compared to 91 837 MT of sugar in the corresponding year. Moreover the Holding Company produced 21 572 625 litres of biofuel during the year which has been increased by almost 42% as compared to 15 199 777 litres in the corresponding year. This will favorably affect the financial position and performance of the Holding Company in the next year.

- The Holding Company is in the process of installing the falling film evaporators. Falling film evaporators are alternative to Robert type evaporators and help to improve the optimization of the evaporator's station and energy efficiency of the plant. The percentage of steam's usage will be reduced by 9%. It would also increase the recovery ratio accordingly.

- The Holding Company remains committed to its best efforts to improve liquidity position. The financial projections of the Holding Company show improvements in cash generation and profits. The management considers that the measures as explained above would result in availability of adequate financial resources for the Holding Company to sustain the continuity of its business for the foreseeable future and thus maintain its going concern status. Accordingly, the financial statements of the Holding Company have been prepared on a going concern basis which assumes that the Holding Company will continue to operate its business, realize its assets, and discharge its liabilities, in the normal course of business.

Shakarganj Food Products Limited

Shakarganj Food Products Limited (The Subsidiary Company) was incorporated in Pakistan initially as a private limited company on 03 April 2001 under the Companies Ordinance, 1984 (Now Companies Act, 2017). Its name was later changed from A.M. Fruit Products (Private) Limited to Shakarganj Food Products Limited along with change of its status from private limited to public limited on 03 January 2006. The principal activity of the Subsidiary Company is manufacturing, processing and sale of food products (dairy, fruit pulps and concentrate juices). The registered office of the Subsidiary Company is situated at E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg-III, Lahore.

Geographical locations and addresses of all business units of The Subsidiary Company except for the registered office are as follows:

Manufacturing Unit	Address
Dairy Plant	4 KM Lahore Road, Jaranwala
Juice Plant	15 KM Sargodha Road, Near Ahmad Nagar, Tehsil Lalian, District Chiniot
Fruit procurement center	Chak No. 13 S.B. Ajnala Station, Muazzamabad Road, Tehsil Bhalwal, District Sargodha

SML held 52.39% shares of SFPL as at 30 September 2022 (2021: 52.39%)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

2.1 Basis of preparation

a) Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan (ICAP), as notified under the Companies Act, 2017; and

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

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

b) Accounting convention

These consolidated financial statements have been prepared under the historical cost convention except otherwise stated in the respective accounting policies..

c) Critical accounting estimates and judgments

The preparation of these consolidated financial statements in conformity with the approved accounting and reporting standards, as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates underlying the assumptions are reviewed on an ongoing basis. Revisions to Group's accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Information about the judgements made by the Group's management in the application of accounting policies, that have the most significant affect on the amounts recognized in these consolidated financial statements, assumptions and estimation uncertainties with significant risk of material adjustment to the carrying amount of assets and liabilities in the next year are as follows:

Useful lives, patterns of economic benefits and impairments

The estimates for revalued amounts of different classes of property, plant and equipment are based on valuation performed by external professional valuers and recommendations of technical teams of the Group. The said recommendations also include estimates with respect to residual values and depreciable lives. Further, the Group reviews the value of the assets for possible impairment on an annual basis. Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Group. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

Inventories

Net realizable value of inventories is determined with reference to currently prevailing selling prices less estimated expenditure to make sales. Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions.

Taxation

In making the estimates for income tax currently payable by the Group, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on the tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date. Deferred income tax assets are recognized for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, based on the Group's experience of actual credit loss in past years.

Revenue from contracts with customers involving sale of goods

When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Group is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Provision for obsolescence of stores, spare parts and loose tools

The Group reviews the carrying amount of stores, spare parts and loose tools on regular basis and provision for obsolescence is made if there is any change in usage pattern and physical form of stores, spare parts and loose tools.

Employees' benefits

Certain actuarial assumptions have been adopted as disclosed in Note 7.2 to the consolidated financial statements for determination of present value of defined benefit obligations. Changes in these assumptions in future years may affect the liability under these schemes in those years.

Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the consolidated statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

Contingencies

The Group reviews the status of all pending litigations and claims against the Group. Based on the judgment and the advice of the legal and tax advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the consolidated statement of financial position date.

d) Amendments to published approved accounting standards that are effective in current year and are relevant to the Group

Following amendments to published approved accounting standards are mandatory for the Group's accounting periods beginning on or after 01 October 2021:

- IFRS 16 (Amendments) 'Leases';

- Interest Rate Benchmark Reform – Phase 2 which amended IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement', IFRS 7 'Financial Instruments: Disclosures' and IFRS 16 'Leases'.

The above-mentioned amendments to approved accounting standards did not have any impact on the amounts recognized in prior period and are not expected to significantly affect the current or future periods.

e) Amendments to published approved accounting standards that are effective in current year but not relevant to the Group

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 October 2021 but are considered not to be relevant or do not have any significant impact on the Group's financial statements and are therefore not detailed in these consolidated financial statements.

f) Amendments to published approved accounting standards that are not yet effective but relevant to the

Following amendments to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 01 October 2022 or later periods:

Classification of liabilities as current or non-current (Amendments to IAS 1 'Presentation of Financial Statements') effective for the annual period beginning on or after 01 January 2023. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as noncurrent by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply these amendments retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets') effective for the annual period beginning on or after 01 January 2022 amends IAS 1 'Presentation of Financial Statements' by mainly adding paragraphs which clarifies what comprise the cost of fulfilling a contract. Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16 'Property, Plant and Equipment') effective for the annual period beginning on or after 01 January 2022 clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable standards. The entity measures the cost of those items applying the measurement requirements of IAS 2 'Inventories'. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

Following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 01 January 2022:

IFRS 9 'Financial Instruments' – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to de-recognize a financial liability.

IFRS 16 'Leases' – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 'Leases' by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.

IAS 41 'Agriculture' - the amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

Disclosure of Accounting Policies (Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Making Materiality Judgement') effective for annual periods beginning on or after 01 January 2023. These amendments are intended to help preparers in deciding which accounting policies to disclose in their financial statements. Earlier, IAS 1 stated that an entity shall disclose its 'significant accounting policies' in their financial statements. These amendments shall assist the entities to disclose their 'material accounting policies' in their financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 'Income taxes') effective for annual periods beginning on or after 01 January 2023. These amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations.

Change in definition of Accounting Estimate (Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors) effective for annual periods beginning on or after 01 January 2023. This change replaced the definition of Accounting Estimate with a new definition, intended to help entities to distinguish between accounting policies and accounting estimates.

On 31 October 2022, the IASB issued 'Non-Current Liabilities with Covenants (Amendments to IAS 1)' to clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments are effective for reporting periods beginning on or after 1 January 2024.

On 22 September 2022, the IASB issued 'Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)' with amendments that clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments are effective for annual periods beginning on or after 1 January 2024.
The IASB has published 'Reference to the Conceptual Framework (Amendments to IFRS 3)' with amendments to IFRS 3 'Business Combinations' that update an outdated reference in IFRS 3 without significantly changing its requirements. Effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 01 January 2022. The amendments also add to IFRS 3 an exception to its requirement for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' (deferred indefinitely) to clarify the treatment of the sale or contribution of assets from an investor to its associates or joint venture, as follows: require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 'Business Combinations'); require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the unrelated investors' interests in that associate or joint venture. These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occur by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

The above amendments and improvements are likely to have no significant impact on the consolidated financial statements.

g) Standards and amendments to published approved accounting standards that are not yet effective and not considered relevant to the Group

There are other standards and amendments to published approved standards that are mandatory for accounting periods beginning on or after 01 October 2022 but are considered not to be relevant or do not have any significant impact on the Group's financial statements and are therefore not detailed in these consolidated financial statements.

2.2 Consolidation

Subsidiary is the company over which the Group has control. The Group controls a company when the Group is exposed to, or has rights to variable returns from its involvement with the company and has the ability to affect those returns through its power to direct the activities of the company. Subsidiary is fully consolidated from the date on which the control is transferred to the Group. These are deconsolidated from the date the control ceases.

The assets and liabilities of the Subsidiary Company has been consolidated on a line-by-line basis and the carrying value of the investment held by the Holding Company is eliminated against the Holding Company's share in paid up capital of the Subsidiary Company.

Intragroup balances and transactions are eliminated.

Non-controlling interest is that part of net results of operations and of net assets of the Subsidiary Company which is not owned by the Holding Company. Non-controlling interest is presented as a separate item in the consolidated financial statements.

2.3 Revenue from contracts with customers

i) Revenue recognition

Sale of goods

Revenue from the sale of goods is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Interest

Interest income is recognized as interest accrues using the effective interest method. This is a method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rent

Revenue is recognized when rent is accrued.

Dividend

Dividend on equity investments is recognized when right to receive the dividend is established.

Other revenue

Other revenue is recognized when it is received or when the right to receive payment is established.

ii) Contract assets

Contract assets arise when the Group performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

iii) Contract liabilities

Contract liability is the obligation of the Group to transfer goods to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Group performs its performance obligations under the contract.

iv) Refund liabilities

Refund liabilities are recognized where the Group receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Group does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances.

v) Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

2.4 Intangible asset

Intangible asset is stated at cost less accumulated amortization and any identified impairment loss.

Amortization is charged to the consolidated statement of profit or loss on straight line basis so as to write off the cost of an asset over its estimated useful life. Amortization is charged from the month in which the asset is acquired or capitalized while no amortization is charged for the month in which the asset is disposed of.

2.5 Leases

a) Right-of-use assets

A right-of-use asset is recognized at the commencement date of a lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any identified impairment loss, except for plant and machinery, which are stated at revalued amount less subsequent accumulated depreciation and subsequent accumulated impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated using reducing balance method at the rates disclosed in Note 15, over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

The Company has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are recognized as expense when incurred.

b) Lease liabilities

A lease liability is recognized at the commencement date of a lease. The lease liability is initially recognized at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which these are incurred.

Lease liabilities are measured at amortized cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to consolidated statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

2.6 Financial instruments

i) Recognition, classification and measurement of financial instruments

Investments and other financial assets

a) Classification

The Group classifies its financial assets in the following measurement categories:

• those to be measured subsequently at fair value through other comprehensive income, and
• those to be measured at amortized cost

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into following measurement category:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on de-recognition is recognized directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses.

Equity instruments

The Group subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3). The Group classifies its equity instruments into following measurement category:

Fair Value Through Other Comprehensive Income (FVTOCI)

Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value. Dividend from such investments is recognized in consolidated statement of profit or loss as other income when the Group's right to receive payments is established.

Financial liabilities

Classification and measurement

Financial liabilities are classified at amortized cost. These are also subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in consolidated statement of profit or loss.

iii) Impairment of financial assets

The Group recognizes loss allowances for ECLs on financial assets measured at amortized cost. The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

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

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

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

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

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

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

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or
- it is probable that the debtor will enter bankruptcy or other financial reorganization.

iv) De-recognition of financial assets and financial liabilities

Financial assets

The Group de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such de-recognized financial assets that is created or retained by the Group is recognized as a separate asset or liability.

Financial liabilities

The Group de-recognizes a financial liability (or a part of financial liability) from its consolidated statement of financial position when the obligation specified in the contract is discharged or cancelled or expired. Any gain or loss on de-recognition is included in profit or loss.

v) Offsetting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in the consolidated financial statements when there is a legal enforceable right to set off and the Group intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

2.7 Taxation

Current

The current tax charge as calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. 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 liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated 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 period when the differences reverse based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is charged or credited in the consolidated statement of profit or loss, except in the case of items credited or charged to other comprehensive income or directly in equity, in which case it is included in other comprehensive income or directly in equity, respectively.

2.8 Property, plant and equipment

Property, plant and equipment except freehold land, building, plant and machinery are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at revalued amount less any identified impairment loss. Building, plant and machinery are stated at revalued amount less accumulated depreciation and any identified impairment loss. Cost of the property, plant and equipment consists of historical cost pertaining to erection / construction period of qualifying assets and other directly attributable costs of bringing the asset to working condition.

Increases in the carrying amount arising on revaluation of property, plant and equipment are credited to surplus on revaluation of property, plant and equipment. 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 the revalued carrying amount of the asset charged to the consolidated statement of profit or loss, and depreciation based on the asset's original cost is transferred from 'surplus on revaluation of property, plant and equipment' to 'accumulated loss'. All transfers to / from surplus on revaluation of property, plant and equipment are net of applicable deferred income tax. Valuations are performed frequently enough to ensure that the fair value of the revalued assets does not differ materially from its carrying amount.

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 Group and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to income during the period in which these are incurred.

Capital work-in-progress is stated at cost less any identified impairment loss. Cost includes expenditure and advances directly attributable to the acquisition of the asset and those incurred during installation and construction period. These are transferred to relevant property, plant and equipment as and when assets are available for use.

Depreciation

Depreciation on property, plant and equipment is charged to consolidated statement of statement of profit or loss on the reducing balance method so as to write off the cost of an asset over its estimated useful life at the annual rates given in Note 14.1 after taking into account the impact of their residual values, if considered significant. The residual values and useful lives are reviewed by the management, at each financial year-end and adjusted if impact on depreciation is significant.

Depreciation on additions to property, plant and equipment is charged from the month in which the asset is acquired or capitalized, while no depreciation is charged for the month in which the asset is disposed of.

De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal or retirement of an asset is recognized as an income or expense.

2.9 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairments, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the consolidated statement of profit or loss.

2.10 Biological assets

Biological assets comprise of standing crops and livestock. These are stated at fair value less estimated point-of-sale costs, with any resultant gain or loss recognized in the consolidated statement of profit or loss. The fair value of standing crops is based on the support price fixed by the Government and other factors such as estimated crop yield and area under cultivation. The fair value of livestock is estimated on the basis of market prices of livestock of similar age, breed and genetic merit. Point-of-sale costs include all costs that are necessary to sell the assets, excluding costs necessary to get the assets to the market.

2.11 Inventories

Inventories, except for stock in transit and waste stock, are stated at lower of cost and net realizable value. Cost is determined as follows:

Stores, spare parts and loose tools

Usable stores, spare parts and loose tools are valued principally at moving average cost, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon up-to the reporting date. Provision is made in the consolidated financial statements for obsolete and slow moving stores and spares based on management's estimate as a result of changes in usage pattern and physical form.

Stock-in-trade

Stock of raw materials is valued at the weighted average cost. Cost of work-in-process and finished goods comprises cost of direct materials, labour and appropriate manufacturing overheads. Cost of own produced molasses, a by-product, is determined on the basis of monthly average cost of molasses purchased from third parties in the relevant months when molasses is produced. Cost of stillage, a by-product of the Biofuel Plant, used in the generation of electricity by the Power division is valued at Nil as it does not have any market value.

Materials in transit are stated at cost comprising invoice values plus other charges paid thereon up to the reporting date. Waste stock is valued at net realizable value.

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

2.12 Trade debts and other receivables

Trade debts are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any allowance for expected credit losses.

Other receivables are recognized at amortized cost, less any allowance for expected credit losses.

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

2.14 Ijarah contracts

Under the Ijarah contracts, the Group obtains usufruct of an asset for an agreed period and consideration. The Group accounts for its Ijarah contracts in accordance with the requirements of IFAS 2 'Ijarah'. Accordingly, the Group as a Mustaj'ir (lessee) in the Ijarah contract recognizes the Ujrah (lease) payments as an expense in the consolidated statement of profit or loss on straight line basis over the Ijarah term.

2.15 Share capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

2.16 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred and are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

2.17 Government grants

Government grants are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all conditions of the grant. The benefit of a Government loan at a below-market rate of interest is treated as a Government grant.

Government grants relating to costs are deferred and recognized in the profit or loss over the period necessary to match them with the costs that these are intended to compensate.

2.18 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value and are subsequently measured at amortized cost using the effective interest method.

2.19 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

2.20 Functional and presentation currency along with foreign currency transactions and translation

These consolidated financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates at the reporting date. Transactions in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are charged or credited to consolidated statement of profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into Pak Rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into Pak Rupees at exchange rates prevailing at the date when fair values are determined.

2.21 Borrowing costs

Interest, mark-up and other charges on long term financing are capitalized up to the date of commissioning of respective qualifying assets acquired out of the proceeds of such long term financing. All other interests, mark-up and other charges are recognized in the consolidated statement of profit or loss.

2.22 Contingent liabilities

Contingent liability is disclosed when the Group has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the consolidated financial statements.

2.23 Contingent assets

Contingent assets are disclosed when the Group has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognized until their realization becomes certain.

2.24 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the Board of Directors of the Group that makes strategic decisions.

Segment results that are reported to the Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those income, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated. The Group has six reportable business segments: Sugar, Biofuel, Dairy, Juice, Textile and Farms. Inter segment sales and purchases are eliminated from the total.

2.25 Earnings / (Loss) Per Share (EPS / LPS)

The Group presents EPS / LPS data for its ordinary shares. Basic EPS / LPS is calculated by dividing the profit or loss for the year by weighted average number of ordinary shares outstanding during the year.

2.26 Employees' benefits

Defined benefit plans

The main feature of the schemes operated by the Group for its employees are as follows:

The Holding Company operates a funded gratuity scheme as a defined benefit plan for its permanent employees and also funded defined benefit pension plan. All permanent employees who are in the management cadre of the Holding Company participate in these plans subject to a minimum qualifying period of service according to the terms of employment. Monthly contributions are made to these funds on the basis of actuarial recommendation at the rate of 20% per annum of basic salary for pension and 8.33% per annum of basic salary for gratuity. Actuarial valuation using projected unit credit method for the schemes was carried out as at 30 September 2022. The main features of defined benefit schemes are mentioned in Note 7.2.1 and Note 7.2.2.

The Holding Company's net obligation in respect of these defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Holding Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liabilities, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income. The Holding Company determines the net interest expense / (income) on the net defined benefit liability / (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability / (asset), taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plan are recognized in profit or loss.

When the benefits of plans are changed or when plans are curtailed, the resulting change in benefits that relate to past service or the gain or loss on curtailment are recognized immediately in profit or loss. The Holding Company recognizes gains and losses on the settlement of defined benefit plans when the settlement occurs.

The Subsidiary Company operates an unfunded gratuity scheme covering all permanent employees. Qualifying period for permanent employees is one year of continuous service. Provision is made in the consolidated financial statements on the basis of actuarial recommendations. The latest actuarial valuation was carried out as at 30 September 2022. The conditions and policies are the same as of the Holding Company.

Defined contribution plan

There is an approved contributory provident fund for all employees of the Holding Company. Equal monthly contributions are made both by the employees and the Holding Company at the rate of 8.33 percent of basic salary to the Fund. The Holding Company's contributions to the Fund are charged to consolidated statement of profit or loss.

Accumulating compensated absences

The Subsidiary Company provides leave encashment benefit to its employees. Employees are entitled to receive 14 days leaves per annum. The un-utilized leaves are accumulated subject to a maximum of 28 days. The unutilized accumulated leaves are encashed at the time of leaving the service.

Provisions are made at each reporting date by Subsidiary Company to cover the obligation for accumulating compensated absences and are charged to consolidated statement of profit or loss. Provision is made in the consolidated financial statements on the basis of actuarial recommendations. All actuarial gains or losses, current service cost, past service cost and interest cost are recognzied in consolidated statement of profit or loss. The latest actuarial valuation was carried out as at 30 September 2022.

2.27 Dividend and other appropriations

Dividend distribution to the shareholders is recognized as a liability in the consolidated financial statements in the periods in which the dividends are declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

2.28 Non-current assets held for sale

Non-current assets are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. These are stated at the lower of carrying amount and fair value less costs to sell.

3. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2022	2021		2022	2021
Number of shares			Rupees in thousand	
79 021 000	79 021 000	Ordinary shares of Rupees 10 each fully paid in cash	790,210	790,210
33 131 816	33 131 816	Ordinary shares of Rupees 10 each issued as fully paid bonus shares	331,318	331,318
750 000	750 000	Ordinary shares of Rupees 10 each issued to Pakistan Industrial Credit and Investment Corporation Limited against its right of option to convert 20 percent of its loan into fully paid up shares	7,500	7,500
9 557 000	9 557 000	Ordinary shares of Rupees 10 each issued as fully paid for consideration other than cash under the scheme of merger	95,570	95,570
2 540 184	2 540 184	Ordinary shares of Rupees 10 each issued as fully paid against conversion of preference shares	25,402	25,402
125 000 000	125 000 000		1,250,000	1,250,000

3.1 Ordinary shares of the Holding Company held by related parties:

	2022	2021
	Number of shares	
Crescent Steel and Allied Products Limited	27 409 075	27 409 075
The Crescent Textile Mills Limited	9 019 690	9 019 690
CS Capital (Private) Limited	7 602 272	7 602 272
Premier Insurance Limited	5 000	5 000
Shakarganj Mills Limited Employees' Provident Fund Trust	1 375 427	1 375 427
Shakarganj Mills Limited Gratuity Fund	107 876	107 876
Shakarganj Mills Limited Pension Fund	916 582	916 582
	46 435 922	46 435 922

	NOTE	2022	2021
		Rupees in thousand	
4. CAPITAL RESERVES			
Surplus on revaluation of property, plant and equipment - net of deferred income tax	4.1	10,849,580	11,955,684
Other capital reserves			
Premium on issue of right shares	4.2	1,056,373	1,056,373
Musharakah financing - equity portion		41,441	72,523
Fair value reserve of investments at fair value through other comprehensive income	4.3	(12,835)	(11,021)
Difference of capital under scheme of arrangement of merger		155,930	155,930
		1,240,909	1,273,805
		12,090,489	13,229,489

4.1 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF DEFERRED INCOME TAX

	2022	2021
As at 01 October	11,955,684	6,600,793
Add: Net surplus arising on revaluation during the year (Group's portion) - net of deferred income tax	133,697	5,911,609
	12,089,381	12,512,402
Less:		
Impact of change in deferred tax rate	(486,373)	(123,543)
Transferred to accumulated loss in respect of incremental depreciation charged during the year - net of deferred income tax	(629,461)	(271,090)
Surplus on revaluation of property, plant and equipment disposed of during the year - net of deferred income tax	(123,967)	(162,085)
	(1,239,801)	(556,718)
	10,849,580	11,955,684
Add: Net surplus arising on revaluation during the year (Non-controlling interest's portion) - net of deferred income tax	121,500	-
As at 30 September	10,971,080	11,955,684

4.1.1 The latest valuation of land, building, plant and machinery, along with plant and machinery classified as right-of-use assets was carried out by independent valuers Messers Hamid Mukhtar and Company (Private) Limited and Messers Surval on 30 September 2021 and on 30 September 2022 respectively. The valuations were determined by reference to market value of the similar properties / assets. Previously revaluations were carried out on 30 September 2012, 30 September 2014, 09 April 2018 and 27 September 2018 and 30 September 2019 by independent valuers.

4.2 This reserve can be utilized by the Holding Company only for the purposes specified in section 81 of the Companies

4.3 This represents the unrealized loss on remeasurement of investments at Fair Value Through Other Comprehensive Income (FVTOCI). Reconciliation of fair value reserve is as under:

Balance as on 01 October	(11,021)	(7,898)
Fair value adjustment during the year	(3,323)	(3,123)
	(14,344)	(11,021)
Deferred income tax relating to investments at fair value through other comprehensive incom	509	-
Balance as on 30 September	(12,835)	(11,021)

	NOTE	2022	2021
		Rupees in thousand	
5. LONG TERM FINANCING			
From banking companies - secured			
Long term loans	5.1	41,413	410,105
Diminishing musharakah	5.2	497,500	667,500
Musharakah financing	5.3	130,396	199,097
		669,309	1,276,702
Less: Current portion shown under current liabilities	12	211,413	642,605
		457,896	634,097

5.1 Long term loans

LENDER	2022	2021	RATE OF INTEREST PER ANNUM	EFFECTIVE RATE OF INTEREST	NUMBER OF INSTALLMENTS	INTEREST REPRICING	INTEREST PAYABLE	SECURITY
	Rupees in thousand							
Shakarganj Limited - Holding Company								
National Bank of Pakistan	-	58,622	3 Month KIBOR + 1%	8.78% - 12.95%	This facility was completely repaid on 07 April 2022	Quarterly	Quarterly	First joint pari passu charge of 182.378 million over entire present and future fixed assets of the Company with 25% margin and personal guarantees of Chief Executive Officer and one Director of the Company.
National Bank of Pakistan	-	106,250	3 Month KIBOR + 3%	10.78% - 18.16 %	This facility was completely repaid on 25 August 2022	Quarterly	Quarterly	First joint pari passu charge of Rs. 306.667 million over present and future fixed assets of the Company with 25% margin and personal guarantee of Chief Executive Officer and one Director of the Company. It is also secured through pledge of 6 387 000 number of shares of Crescent Steel and Allied Products Limited.
First Credit and Investment Bank Limited	-	45,000	3 Month KIBOR + 3.5%	10.89% - 19.41%	This facility was completely repaid on 22 September 2022	Quarterly	Quarterly	Ranking hypothecation charge over present and future assets of the Company with 25% margin excluding land and building plus against pledge of shares from PSX acceptable to the Bank at market value with 35% margin and personal guarantee of Chief Executive Officer and one Director of the Company.
MCB Bank Limited - Loan under SBP Refinance Scheme (Note 5.1.1)	41,413	200,233	SBP rate + 3%	3%	Eight equal quarterly installments commenced on 01 January 2021 and ending on 30 September 2022.	-	Quarterly	First joint pari passu charge over present and future fixed assets of Rs. 1,000 million, first pari passu charge of Rs. 551 million over stocks, ranking charge of Rs. 200 million on fixed assets, first pari passu charge on plant and machinery of Rs. 250 million, ranking charge of Rs. 200 million on current assets of the Company and personal guarantee of Chief Executive Officer and one Director of the Company.
	41,413	410,105						

5.1.1 These represent last outstanding installments under SBP Refinance Scheme as at 30 September 2022, which was subsequently repaid on 27 December 2022.

5.2 Diminishing musharakah

LENDER	2022	2021	RATE OF INTEREST PER ANNUM	EFFECTIVE RATE OF INTEREST	NUMBER OF INSTALLMENTS	INTEREST REPRICING	INTEREST PAYABLE	SECURITY
Shakarganj Food Products Limited - Subsidiary Company								
Sindh Modaraba Management Limited (SMML)	62,500	87,500	6 Month KIBOR + 3.5%	11.15%-19.57%	Sixteen equal quarterly installments commenced on 11 June 2021 and ending on 11 March 2026 including deferment of one year.	Semi annually	Quarterly	Post dated cheques and a title of the assets in the name of SMML for entire facility period.
Diminishing Musharaka Sukuk (Note 5.2.1)	435,000	580,000	3 Month KIBOR + 1.75%	9.95%-17.86%	Twenty equal quarterly installments commenced on 10 October 2019 and ending on 10 July 2025 including deferment of one year.	Quarterly	Quarterly	First pari passu charge over fixed assets of the Company amounting to Rs. 967 million.
	497,500	667,500						

5.2.1 This represents rated and privately placed Diminishing Musharakah Sukuk Certificates of Rs. 725 million issued in 2018.

		NOTE	2022	2021
			Rupees in thousand	
5.3	Musharakah financing			
	Balance as at 01 October		199,097	173,711
	Add: Unwinding of discount	35	29,096	25,386
	Less: Conversion to running musharakah / short term borrowings	5.3.1	97,797	-
	Balance as at 30 September		130,396	199,097

5.3.1 During the year, based on a revised facility letter, signed by the Company and the Bank, musharakah facility amounting to Rs. 120 million has been converted into a short term borrowing / running musharakah carrying a mark-up of 3 month KIBOR plus 1%.

5.3.2 This represents musharakah financing facility amounting to Rs. 280 million obtained from BankIslami Pakistan Limited, a related party on 01 April 2019 for a period of five years. To secure the musharakah facility, the Subsidiary Company has provided an Equity Warrant Option to Bank under which Bank may opt for conversion of its musharakah finance claim, either wholly or partially, into ordinary shares of the Subsidiary Company at a fixed price of Rs. 15 per share, subject to necessary approval from its regulator. The facility has been treated as a compound financial instrument with the debt instrument being measured first using an effective rate of 14.12% per annum while the remainder has been classified as equity portion as given above. In subsequent years, mark-up expense shall be recognized through consolidated statement of profit or loss by using the same rate of interest, and equivalent amount shall be reinstated to the loan through unwinding of discount.

		NOTE	2022	2021
			Rupees in thousand	
6.	LEASE LIABILITIES			
	Total lease liabilities	6.1	615,818	781,727
	Less: Current portion shown under current liabilities	12	287,811	247,149
			328,007	534,578
6.1	Reconciliation of lease liabilities			
	Balance as at 01 October		781,727	799,654
	Add:			
	Additions during the year		27,183	179,983
	Interest accrued on lease liabilities	35	59,895	80,025
			868,805	1,059,662
	Less: Payments during the year		252,987	277,935
	Balance as at 30 September		615,818	781,727
	Less: Current portion shown under current liabilities		287,811	247,149
	Non-current portion		328,007	534,578

6.1.1 The value of minimum lease payments were discounted using implicit interest rate ranged from 8.50 percent to 17.40 percent (2021: 8.50 percent to 17.40 percent) per annum. These arrangements relate to Tetra Pak processing and filling machines and corresponding liability of head office building classified as right-of-use asset. Repayment period ranges from 36 to 60 months.

6.2 Minimum lease payments and their present values are regrouped as under:

	2022		2021	
	Not later than one year	Later than one year but not later than five years	Not later than one year	Later than one year but not later than five years
	------------------Rupees in thousand -------------------			
Lease rentals	342,558	359,066	317,491	600,705
Less: Finance cost for future years	54,747	31,059	70,342	66,127
Present value of lease liabilities	287,811	328007	247,149	534,578

		NOTE	2022	2021
			Rupees in thousand	
7.	DEFERRED LIABILITIES			
	Deferred income	7.1	19,671	20,707
	Employees' benefits	7.2	813,539	555,251
			833,210	575,958

7.1 This represents the grants received by Subsidiary Company in 2014 from United States Agency for International Development (USAID) amounting to Rs. 8.527 million and from Market Development Facility (MDF), Australia amounting to Rs. 21.659 million from 2014-2017. These grants were provided in order to support the Subsidiary Company for the purchase and installation of Farm Cooling Tanks (FCTs) at different locations of milk collections, purchase of motor bikes and training of farmers for dairy farming development.

		NOTE	2022	2021
			Rupees in thousand	
7.1.1	DEFERRED INCOME			
	Others			
	Grants received - gross		30,186	30,186
	Less: Amortization			
	Opening balance		9,479	8,375
	Charged during the year	34	1,036	1,104
	Closing balance		10,515	9,479
			19,671	20,707
7.2	EMPLOYEES' BENEFITS			
	Shakarganj Limited - Holding Company			
	Pension fund	7.2.1	571,315	204,941
	Gratuity fund	7.2.2	105,193	14,171
			676,508	219,112
	Less: Transferred to trade and other payables in:			
	Payable to Pension Fund	7.2.1.2	174,546	-
	Payable to Gratuity Fund	7.2.2.2	80,002	-
			254,548	-
			421,960	219,112

		NOTE	2022	2021
			Rupees in thousand	
	Shakarganj Food Products Limited - Subsidiary Company			
	Staff retirement gratuity	7.2.3	362,939	307,149
	Accumulating compensated absences	7.2.4	28,640	28,990
			391,579	336,139
7.2.1	Pension fund			
	The amount recognized in the consolidated statement of financial position is determined as follows:			
	Present value of defined benefit obligation	7.2.1.1	597,841	500,076
	Fair value of plan assets	7.2.1.2	(26,526)	(295,135)
	Net defined benefit obligation		571,315	204,941
7.2.1.1	The movement in the defined benefit obligation over the year is as follows:			
	Present value of defined benefit obligation as at 01 October		500,076	511,634
	Current service cost		23,116	24,971
	Interest cost		53,654	52,467
	Remeasurement losses / (gains)		45,612	(65,099)
	Benefits paid during the year		(24,617)	(23,897)
	Present value of defined benefit obligation as at 30 September		597,841	500,076
7.2.1.2	The movement in the fair value of plan assets for the year is as follows:			
	Fair value as at 01 October		295,135	378,738
	Return on plan assets		22,450	39,536
	Contributions during the year		17,073	19,492
	Fund transferred back to the Company	7.2.1.2.1	(174,546)	-
	Benefits paid during the year		(24,617)	(23,897)
	Return on plan assets excluding interest income		(108,969)	(118,734)
	Fair value as at 30 September		26,526	295,135

7.2.1.2.1 This represents the amount transferred to the Company by the Fund for the business operations of the Company and shown in 'Payable to Pension Fund' under 'Trade and Other Payables'.

7.2.1.3 The amounts recognized in the consolidated statement of profit or loss are as follows:

	2022	2021
Current service cost	23,116	24,971
Interest cost	53,654	52,467
Expected return on plan assets	(22,450)	(39,536)
Net charge for the year	54,320	37,902

		NOTE	2022	2021
			Rupees in thousand	
7.2.1.4	The amounts recognized in the consolidated statement of profit or loss are classified as follows:			
	Cost of sales	30.1	35,111	23,923
	Distribution cost	31.2	346	235
	Administrative expenses	32.1	18,449	13,590
	Other expenses	33.1	414	154
			54,320	37,902
7.2.1.5	Remeasurements of net defined benefit liability			
	Actuarial losses / (gains) due to experience adjustments		45,612	(65,099)
	Return on plan assets excluding interest income		108,969	118,734
	Amount chargeable to other comprehensive income		154,581	53,635
7.2.1.6	Reconciliation of net defined benefit liability			
	As at 01 October		204,941	132,896
	Expense chargeable to profit or loss during the year		54,320	37,902
	Amount chargeable to other comprehensive income during the year		154,581	53,635
	Contributions paid by the Company during the year		(17,073)	(19,492)
	As at 30 September		396,769	204,941

7.2.1.7 The estimated expenses to be charged to the consolidated statement of profit or loss for the year ending on 30 September 2023 are Rs. 102.904 million.

		2022	2021
7.2.1.8	Actual return on plan assets		
	Interest income for the year	22,450	39,536
	Return on plan assets excluding interest income	(108,969)	(118,734)
		(86,519)	(79,198)

7.2.1.9 The principal actuarial assumptions used were as follows:

	2022	2021
Discount rate (per annum)	14.00%	11.00%
Future salary increases (per annum)	13.00%	10.00%
Expected rate of future pension increases (per annum)	9.00%	6.00%
Average expected remaining working life time of employees	9 years	10 years
Expected average duration of obligation	17 years	18 Years
Expected mortality rate	SLIC (2001-05) mortality table	

		2022	2021
		Rupees in thousand	
7.2.1.10	Plan assets are comprised as follows:		
	Equity instruments	187,876	259,143
	Cash and cash equivalents	89	87,697
	Others - net	(161,439)	(51,705)
		26,526	295,135

7.2.1.11 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2022	2021
Discount rate	1.00%	1.00%
Increase in assumption (Rupees in thousand)	(51,204)	(82,009)
Decrease in assumption (Rupees in thousand)	56,015	98,081
Future salary increase	1.00%	1.00%
Increase in assumption (Rupees in thousand)	56,001	52,326
Decrease in assumption (Rupees in thousand)	(51,211)	(47,364)

7.2.2 Gratuity fund

The amount recognized in the consolidated statement of financial position is determined as follows:

	NOTE	2022	2021
		Rupees in thousand	
Present value of defined benefit obligations	7.2.2.1	105,162	104,506
Fair value of plan obligations / (assets)	7.2.2.2	31	(90,335)
Net defined benefit obligation		105,193	14,171

7.2.2.1 The movement in the defined benefit obligation over the year is as follows:

	2022	2021
Present value of defined benefit obligation as at 01 October	104,506	111,375
Current service cost	6,635	6,873
Interest cost	10,675	10,800
Benefits paid during the year	(5,687)	(1,222)
Remeasurement gains	(10,967)	(23,320)
Present value of defined benefit obligation as at 30 September	105,162	104,506

7.2.2.2 The movement in the fair value of plan (obligations) / assets for the year is as follows:

	NOTE	2022	2021
Fair value as at 01 October		90,335	83,768
Contributions during the year		8,219	9,801
Fund transferred back to the Company	7.2.2.2.1	(80,002)	-
Return on plan assets		5,418	8,586
Benefits paid during the year		(5,687)	(1,222)
Return on plan (obligations) / assets excluding interest income		(18,314)	(10,598)
Fair value as at 30 September		(31)	90,335

7.2.2.2.1 This represents the amount transferred to the Company by the Fund for the business operations of the Company and shown in 'Payable to Gratuity Fund' under 'Trade and Other Payables'.

7.2.2.3 The amounts recognized in the consolidated statement of profit or loss are as follows:

	2022	2021
Current service cost	6,635	6,873
Interest cost	10,675	10,800
Expected return on plan assets	(5,418)	(8,586)
Net charge for the year	11,892	9,087

		NOTE	2022	2021
			Rupees in thousand	
7.2.2.4	The amounts recognized were included in the consolidated statement of profit or loss as follows:			
	Cost of sales	30.1	7,687	5,744
	Distribution cost	31.2	4,039	56
	Administrative expenses	32.1	75	3,256
	Other expenses	33.1	91	31
			11,892	9,087
7.2.2.5	Remeasurements of net defined benefit liability			
	Actuarial gains due to experience adjustments		(10,967)	(23,320)
	Return on plan (obligations) / assets excluding interest income		18,314	10,598
	Amount chargeable to other comprehensive income		7,347	(12,722)

7.2.2.6 The estimated expenses to be charged to the consolidated statement of profit or loss for the year ending on 30 September 2023 are Rs. 22.241 million.

		2022	2021
7.2.2.7	Reconciliation of net defined benefit liability		
	As at 01 October	14,171	27,607
	Expense chargeable to profit or loss during the year	11,892	9,087
	Amount chargeable to other comprehensive income during the year	7,347	(12,722)
	Contributions paid by the Company during the year	(5,687)	(9,801)
	As at 30 September	27,723	14,171
7.2.2.8	Actual return on plan (obligations) / assets		
	Interest income for the year	5,418	8,586
	Return on plan assets excluding interest income	(18,314)	(10,598)
		(12,896)	(2,012)

		2022	2021
7.2.2.9	The principal actuarial assumptions used were as follows:		
	Discount rate (per annum)	13.25%	10.50%
	Future salary increases (per annum)	12.25%	9.50%
	Average expected remaining working life time of employees	8 years	9 years
	Expected average duration of benefit obligation	7 years	8 years
	Expected mortality rate	SLIC (2001-05) mortality table	

		2022	2021
		Rupees in thousand	
7.2.2.10	Plan (obligations) / assets are comprised as follows:		
	Equity instruments	18,076	23,276
	Cash and cash equivalents	51	67,356
	Others - net	(18,158)	(297)
		(31)	90,335

7.2.2.11 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2022	2021
Discount rate	1.00%	1.00%
Increase in assumption (Rupees in thousand)	(8,492)	(8,439)
Decrease in assumption (Rupees in thousand)	9,240	9,183
Future salary increase	1.00%	1.00%
Increase in assumption (Rupees in thousand)	9,238	9,180
Decrease in assumption (Rupees in thousand)	(8,493)	(8,440)

7.2.2.12 Risks associated with pension fund and gratuity fund

The pension fund and gratuity fund expose the Company to the following risks:

Interest rate risk

The present value of the defined benefit liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on high quality corporate bonds, or where there is no deep market in such bonds, by reference to market yields on government bonds. Currencies and terms of bonds yields used must be consistent with the currency and estimated term of the post-employment benefit obligations being discounted. A decrease in bond interest rate will increase the liability, and vice versa.

Salary risk

The present value of the defined benefit liability is calculated by reference to the future salaries of the plan participants. As such an increase in the salary of the plan participants will increase the liability and vice versa.

Pension rate risk

The present value of the defined benefit liability is calculated after taking into account the future pension growth of plan participants. As such, an increase in the pension growth rate of the plan participants will increase the liability and vice versa.

Withdrawal rate risk

The present value of the defined benefit liability is calculated by reference to the best estimate of the withdrawal rate / attrition rate of plan participants. As such, an increase in the withdrawal rate may increase / decrease the liability and vice versa depending on the age-service distribution of the existing employees.

Mortality rate risk

The present value of the defined benefit liability is calculated by reference to the best estimated of the mortality of plan participants during employment. An improvement in the mortality rate of the participants may increase / decrease the liability and vice versa depending on the age-service distribution of the exiting employees.

7.2.3 Staff retirement gratuity

7.2.3.1 The amount recognized in the consolidated statement of financial position is as follows:

	2022	2021
	Rupees in thousand	
Present value of defined benefit obligation as at 01 October	307,149	255,679
Current service cost	43,383	38,226
Interest cost	30,171	23,580
Benefit paid during the year	(30,601)	(19,571)
Remeasurements losses	12,837	9,235
Present value of defined benefit obligation as at 30 September	362,939	307,149

		NOTE	2022	2021
			Rupees in thousand	
7.2.3.2	The amounts recognized in the consolidated statement of profit or loss are as follows:			
	Current service cost		43,383	38,226
	Interest cost		30,171	23,580
	Charge for the year		73,554	61,806
7.2.3.3	The amounts recognized in the consolidated statement of profit or loss are classified as follows:			
	Cost of sales	30.1	32,058	28,503
	Distribution cost	31.2	35,556	29,278
	Administrative expenses	32.1	5,940	4,025
			73,554	61,806
7.2.3.4	Remeasurements of net defined benefit liability			
	Actuarial losses from changes in assumptions		7,595	9,051
	Experience adjustments		5,242	184
	Amount chargeable to other comprehensive income		12,837	9,235
7.2.3.5	Reconciliation of net defined benefit liability			
	As at 01 October		307,149	255,679
	Expense chargeable to profit or loss during the year		73,554	61,806
	Amount chargeable to other comprehensive income during the year		12,837	9,235
	Benefit paid by the Company during the year		(30,601)	(19,571)
	As at 30 September		362,939	307,149

		2022	2021
7.2.3.6	The principal actuarial assumptions used were as follows:		
	Future salary increases (per annum)	12.25%	9.50%
	Discount rate (per annum)	13.25%	10.50%
	Expected mortality rate	SLIC (2001-05) mortality table	

7.2.3.7 The estimated expenses to be charged to the consolidated statement of profit or loss for the year ending on 30 September 2023 are Rs. 88.7 million.

7.2.3.8 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2022	2021
Discount rate	1.00%	1.00%
Increase in assumption (Rupees in thousand)	(33,349)	(24,696)
Decrease in assumption (Rupees in thousand)	19,178	29,056
Future salary increase	1.00%	1.00%
Increase in assumption (Rupees in thousand)	19,809	29,056
Decrease in assumption (Rupees in thousand)	(34,329)	(25,115)

7.2.4 Accumulating compensated absences

7.2.4.1 The amount recognized in the consolidated statement of financial position is as follows:

		NOTE	2022	2021
			Rupees in thousand	
	Present value of defined benefit obligation as at 01 October		28,990	24,519
	Current service cost		1,685	1,909
	Interest cost		2,889	2,272
	Benefit paid during the year		(2,930)	(2,443)
	Remeasurement (gains) / losses		(1,994)	2,733
	Present value of defined benefit obligation as at 30 September		28,640	28,990
7.2.4.2	The amounts recognized in the consolidated statement of profit or loss are as follows:			
	Current service cost		1,685	1,909
	Interest cost		2,889	2,272
	Re-measurement (gains) / losses		(1,994)	2,733
	Charge for the year		2,580	6,914
7.2.4.3	The amounts recognized were included in the consolidated statement of profit or loss as follows:			
	Cost of sales	30.1	274	2,366
	Distribution cost	31.2	1,782	3,986
	Administrative expenses	32.1	524	562
			2,580	6,914
7.2.4.4	Reconciliation of net defined benefit liability			
	As at 01 October		28,990	24,519
	Expense / remeasurement chargeable to profit or loss during the year		2,580	6,914
	Benefit paid by the Company during the year		(2,930)	(2,443)
	As at 30 September		28,640	28,990
7.2.4.5	The principal actuarial assumptions used were as follows:			
	Future salary increases (per annum)		12.25%	9.50%
	Discount rate (per annum)		13.25%	10.50%
	Expected mortality rate		SLIC (2001-05) mortality table	
7.2.4.6	The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:			
	Discount rate		1.00%	1.00%
	Increase in assumption (Rupees in thousand)		(2,211)	(2,619)
	Decrease in assumption (Rupees in thousand)		2,576	3,114
	Future salary increase		1.00%	1.00%
	Increase in assumption (Rupees in thousand)		2,514	3,059
	Decrease in assumption (Rupees in thousand)		(2,191)	(2,613)

7.2.4.7 Risks associated with staff retirement gratuity and accumulating compensated absences

The staff retirement gratuity and accumulating compensated absences expose the Company to the following risks:-

Salary increase / inflation risk

The liabilities of the defined benefit plans are sensitive to the salary increases.

- Discount rate risk

The risk of changes in discount rate may have an impact on the plan's liability.

- Mortality risk

Actual mortality experience may be different than that assumed in the calculation.

- Withdrawal risk

Actual withdrawals experience may be different from that assumed in the calculation.

7.2.5 The sensitivity analysis for pension fund, gratuity fund, staff retirement gratuity and accumulating compensated absences are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions the same method (present value of the defined benefit obligations calculated with the projected unit credit method at the end of the reporting period) has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to previous year except for certain changes as given in Note 7.2.1.9, Note 7.2.2.9, Note 7.2.3.6 and Note 7.2.4.5.

		NOTE	2022	2021
			Rupees in thousand	
8.	DEFERRED INCOME TAX LIABILITY			
	Taxable temporary differences			
	Accelerated tax depreciation		1,220,405	1,330,655
	Surplus on revaluation of property, plant and equipment		3,316,078	3,034,128
			4,536,483	4,364,783
	Deductible temporary differences			
	Unused tax losses, minimum tax and alternate corporate tax		(1,495,676)	(1,590,219)
	Provision for doubtful receivables		(31,036)	(25,537)
	Provision for obsolete stores, spare parts and loose tools		(794)	(672)
	Fair value reserve of investment		(1,509)	-
	Deferred liabilities		(166,536)	(87,693)
			(1,695,551)	(1,704,121)
	Net deferred income tax liability		2,840,932	2,660,662
8.1	Movement in the deferred income tax liability balance is as follows:			
	As at 01 October		2,660,662	654,242
	(Less) / add:			
	Accelerated tax depreciation		(110,250)	56,446
	Surplus on revaluation of property, plant and equipment		281,950	1,722,482
	Unused tax losses, minimum tax and alternate corporate tax		94,543	278,522
	Provision for doubtful receivables		(5,499)	(19,946)
	Provision for obsolete stores, spare parts and loose tools		(122)	(61)
	Fair value reserve of investment		(1,509)	-
	Deferred liabilities		(78,843)	(31,023)
			180,270	2,006,420
	As at 30 September		2,840,932	2,660,662
8.1.1	Charged to the consolidated statement of profit or loss:			
	Net movement of temporary differences	8.1	180,270	2,006,420
	- on surplus on revaluation of property, plant and equipment		(576,495)	(1,836,873)
	- on unrealized loss on investment at FVTOCI		1,509	-
	- on remeasurement of employees' benefits		49,331	12,433
			(525,655)	(1,824,440)
			(345,385)	181,980

8.1.2 Deferred income tax asset on unused tax losses of the Holding Company available for carry forward are recognized to the extent that the realization of related tax benefits through future taxable profits is probable. The Holding Company has not recognized deferred income tax asset on Rs. 7,871.789 million (2021: Rs. 8,739.877 million) in respect of tax losses including unabsorbed depreciation, as sufficient tax profits may not be available to set off these in the foreseeable future. Total minimum tax available to carry forward under section 113 of the Income Tax Ordinance, 2001 as at 30 September 2022 is of Rs. 1,067.051 million (2021: Rs. 1,323.467 million), while deferred tax is created on Rs. 758.055 million (2021: Rs. 889.717 million).

8.1.3 The unused tax losses excluding unabsorbed depreciation would expire as follows:

Accounting year to which the unused tax losses relates	Amount of unused tax losses	Accounting year in which unused tax losses will expire
	Rupees in thousand	
2017	523,670	2023
2018	1,018,549	2024
2019	721,455	2025
2020	545,983	2026
2021	1,034,094	2027
	3,843,751	

8.1.4 The minimum tax would expire as follows:

Accounting year to which the minimum tax relates	Amount of minimum tax	Accounting year in which minimum tax will expire
	Rupees in thousand	
2020	115,878	2023
2021	354,398	2024
2022	596,775	2025
	1,067,051	

8.1.5 The alternate corporate tax of Rs. 48.288 million would expire in 2025.

	NOTE	2022	2021
		Rupees in thousand	
9. TRADE AND OTHER PAYABLES			
Creditors		3,996,924	4,446,948
Advances for sale of property, plant and equipment		54,728	373,198
Contract liabilities - unsecured		1,378,167	1,331,430
Payable to related parties		40,618	37,325
Security deposits - interest free		-	803
Accrued liabilities		481,239	579,429
Payable to Government authorities:			
- Taxes and duties		1,158,466	805,928
- Income tax deducted at source		329,360	162,795
- Others		10,021	10,021
Workers' profit participation fund	9.1	213,362	199,897
Payable to Employees' Provident Fund Trust		-	2,851
Payable to Pension Fund and Gratuity Fund		373,918	72,146
Other payables		354,400	200,800
		8,391,203	8,223,571

		NOTE	2022	2021
			Rupees in thousand	
9.1	Workers' profit participation fund			
	Balance as on 01 October		199,897	172,744
	Interest for the year	35	14,681	11,329
	Provision for the year	33	3,784	15,824
			218,362	199,897
	Less: Payments during the year		5,000	-
	Balance as on 30 June		213,362	199,897

9.1.1 The Group retains workers' profit participation fund for its business operations till the date of allocation to workers. Interest is accrued at prescribed rate under the Companies Profit (Workers' Participation) Act, 1968 on funds utilized till the date of allocation to workers.

		NOTE	2022	2021
			Rupees in thousand	
10.	SHORT TERM BORROWINGS			
	Shakarganj Limited - Holding Company			
	From banking companies - secured			
	- Export refinance / Istisna	10.1	935,000	935,000
	Shakarganj Food Products Limited - Subsidiary Company			
	From banking companies - secured			
	- Running finances / Istisna / running musharakah	10.2	449,899	349,194
			1,384,899	1,284,194

10.1 Export refinance / Istisna

The Company has arranged facilities for short term finances to meet working capital requirements from various banks under mark-up arrangements. These finances were available at mark-up ranging from 8.53% to 18.16% (2021: 8.35% to 12.51%) per annum on the outstanding balance or part thereof. These include Istisna of Rs. 425 million (2021: Rs. 425 million) payable to BankIslami Pakistan Limited, a related party. Expiry dates of these finances are upto 30 September 2022 except for the facility from National Bank of Pakistan which was expired since 15 April 2021 and was renewed on 16 November 2022, subsequent to the reporting period.

Total credit facilities from the banking companies as at 30 September 2022 are of Rs. 1,459.300 million (2021: Rs. 1,459.300 million). The aggregate export finances are secured against ranking charge over fixed assets of the Company with 25% margin, ranking charge over current assets of the Company with 25% margin, pledge of molasses and biofuel, first joint pari passu charge over all present and future fixed assets of the Company and personal guarantees of Chief Executive Officer and a Director. These are additionally secured by pledge of shares of the Company and of other related parties.

10.2 Running finances / Istisna / running musharakah

The Company has an Istisna Islamic running finance facility and running musharakah converted from musharakah financing (Note 5.3) with BankIslami Pakistan Limited (BIPL), a related party of Rs. 200 million (2021: Rs. 200 million) and Rs. 120 million (2021: Rs. Nil) respectively. The Company has also running finance facilities with National Bank of Pakistan (NBP) and United Bank Limited (UBL) of Rs. 80.800 million (2021: Rs. 100 million) and Rs. 49.099 million (2021: Rs. 49.194 million) respectively. The facilities from BIPL, NBP and UBL have range of Rs. 200 million (2021: Rs. 200 million), Rs. 100 million (2021: Rs. 100 million) and Rs. 49.099 million (2021: Rs. 49.500 million) respectively, while the running musharakah facility from BIPL was converted considering annual clean-up requirements. The mark-up rates on these facilities from BIPL, NBP and UBL were 6 Month KIBOR + 1% (2021: 6 Month KIBOR + 2 %) per annum, 1 Month KIBOR + 2.5% (2021: 3 Month KIBOR + 2%) per annum and deposit rate + 0.75% (2021: Deposit rate + 0.75%) to be charged monthly, respectively. The effective mark-up rates during the year for the facilities availed from BIPL, NBP and UBL ranged from 8.53% to 17.02% (2021: 8.53% to 15.61%) per annum, 9.78% to 18.10% (2021: 9.25% to 9.58%) per annum and 7.00% to 8.00% (2021: 6.30% to 7.75%) per annum respectively. The facilities from BIPL are secured against first charge over fixed assets (land, building, plant and machinery) amounting to Rs. 286 million (inclusive of 30% safety margin) and ownership of Istisna assets along with lien over first pari passu charge over fixed assets (including plant and machinery) of the Company amouting to Rs. 374 million. The expiry dates of these facilities are 30 September 2022 and 30 April 2023 respectively. The facility from NBP is secured against first charge over present and future current assets of the Company amounting to Rs. 133.300 million (inclusive of 25% safety margin). The expiry date of this facility is 31 March 2023. Meanwhile the facility from UBL is secured by lien over Term Deposit Receipt of the Company maintained with UBL amounting to Rs. 55 million. The expiry date of this facility is 30 November 2022.

	NOTE	2022	2021
		Rupees in thousand	
11. ACCRUED MARK-UP			
Long term financing		23,766	37,342
Lease liabilities		12,842	10,710
Short term borrowings	11.1	91,440	37,907
		128,048	85,959

11.1 This includes mark-up of Rs. 7.376 million (2021: Rs. 7.610 million) payable to BankIslami Pakistan Limited, a related party.

	NOTE	2022	2021
		Rupees in thousand	
12. CURRENT PORTION OF NON-CURRENT LIABILITIES			
Current portion of long term financing	5	211,413	642,605
Current portion of lease liabilities	6	287,811	247,149
Current portion of deferred income - Government grant		-	6,833
		499,224	896,587

13. CONTINGENCIES AND COMMITMENTS

a) Contingencies

(i) The Government of Punjab under the powers conferred through the Punjab Excise Act, 1914 through notification No. SO. Tax (E&T) 3-4/2012 dated 03 July 2012, levied a duty of Rs. 2 per litre on manufacturing of spirit (biofuel) with effect from 01 July 2012. In view of legal lacunas, discrimination as to other provinces, no legislative competence and lawful authority of Government of Punjab to impose such duty on industrial ethanol which is not alcohol liquor and the fact that the Holding Company is exporter of the spirit which is exempted under Order 6 of the Punjab Liquor Import, Export, Transportation and Possessions Orders, the management through its legal counsel has challenged the imposition of said levy and is currently contesting it at Lahore High Court, Lahore. Keeping in view all the court proceedings and grounds discussed in various higher courts, Punjab Government, after due deliberations of the Provincial Cabinet of the Punjab Government, on 20 August 2019, through its notification no. SO(E&M)2-5/2018/ED withdrew the imposed duty of Rs. 2 per litre upon the manufacture of spirit in any distillery. As per Holding Company's legal counsel, the Holding Company has clear-cut case and the decision of the case shall be in favor of the Holding Company. In view of the aforesaid, the duty on manufacturing of spirit (biofuel) of Rs. 229.918 million (2021: Rs. 229.918 million) previously deposited on this account has been recognized as receivable being refundable.

(ii) The Holding Company has paid an advance amounting to Rs. 12.999 million (2021: Rs. 12.999 million) to Messrs Industrial Enterprises for designing the boiler project to use only biogas as fuel with no option of burning bagasse. However, the boiler could not generate steam as per specification. It is unlikely that this project will be completed. Therefore the Holding Company has gone into litigation with Industrial Enterprises in Civil Court, Jhang on 03 July 2018 for the recovery of the advance paid along with damages. Based on the advice of legal counsel, there are favourable grounds that the case will be decided in favour of the Holding Company and the advance amount paid will be refunded back.

(iii) An appellate order was made by Commissioner Inland Revenue, Appeals, Lahore on 30 November 2020 under section 33 of Federal Excise Act, 2005, confirming payment of federal excise duty of Rs. 12.757 million (2021: Rs. 12.757 million) including penalty regarding export of sugar to Afghanistan through land route in 2014. The Holding Company has filed appeal before Appellate Tribunal Inland Revenue, Lahore against this order on 23 December 2020. No provision has been recognized in the books of account as the Holding Company is confident on positive outcome of the appeal, on the advice of legal counsel.

(iv) The Competition Commission of Pakistan (CCP) imposed penalties of Rs. 312.595 million (2021: Rs. 312.595 million) on sharing commercially sensitive information and Rs. 437.633 million (2021: Rs. 437.633 million) against collective decision on export quantities. Against these penalties, the Holding Company has lodged appeal before Competition Appellate Tribunal on 14 October 2021, whose decision is pending. On the advice of legal counsel, management is confident that the matter will be decided in the favour of the Holding Company.

(v) Deputy Commissioner Inland Revenue issued pre-audit reports of the Holding Company under section 177(6) of Income Tax Ordinance, 2001 relevant to tax years 2018 and 2019. The Holding Company filed writ petition on 01 October 2020 in Lahore High Court, Lahore against the selection of audit. The petition was accepted in Intra Court Appeal vide order dated 27 April 2022. On the advice of legal counsel, management is confident that the matter having no financial impact will be decided in the favor of the Holding Company.

(vi) Deputy Commissioner Inland Revenue passed orders against the Holding Company dated 23 November 2020 and raised demands of sales tax amounting to Rs. 164.609 million (2021: Rs. 164.609 million), Rs. 1,017.747 million (2021: Rs. 1,017.747 million) and Rs. 802.714 million (2021: Rs. 802.714 million) relating to tax years 2017, 2018 and 2019 respectively on the grounds of suppression of production / sales of molasses, bagasse and mud along with default surcharge and penalty under Sales Tax Act, 1990. Against these orders, the Holding Company filed appeals before Commissioner Inland Revenue Appeals (CIR(A)) who set aside the orders on 06 September 2021, with the direction to assessing officer to reconsider the arguments of the Holding Company. As per Holding Company's legal counsel, no provision is required as the Holding Company has good arguable cases.

(vii) Deputy Commissioner Inland Revenue passed an order against the Holding Company dated 23 November 2020 and raised demand of Federal Excise Duty in sales tax mode amounting to Rs. 475.145 million (2021: Rs. 475.145 million) relating to tax year 2017 on the grounds of suppression of production / sales of white crystalline sugar along with default surcharge and penalty under Federal Excise Act, 2005. Against this order, the Holding Company filed appeal before Commissioner Inland Revenue Appeals (CIR(A)) who set aside the order on 06 September 2021, with the direction to assessing officer to reconsider the arguments of the Holding Company. As per Holding Company's legal counsel, no provision is required as the Holding Company has good arguable case.

(viii) Commissioner Inland Revenue (Appeals) (CIR(A)) lodged petition in Lahore High Court, Lahore against the Holding Company on 17 June 2021 regarding the order to recover sales tax of Rs. 78.867 million (2021: Rs. 78.867 million) along with default surcharge and penalty against which an appeal of the Holding Company was accepted by Appellate Tribunal Inland Revenue on 10 November 2020. According to legal counsel of the Holding Company, the petition filed by CIR(A) is on weak grounds therefore no provision is recognized in these consolidated financial statements.

(ix) The Holding Company has filed appeals before Appellate Tribunal Inland Revenue on 05 April 2022 against assessment orders under section 11 of the Sales Tax Act, 1990 passed by the Commissioner Inland Revenue (Appeals) regarding the recovery of sales tax of Rs. 8.272 million for the tax periods October 2016 and March 2018. As per Holding Company's legal counsel, no provision is required as the Holding Company has good arguable cases.

(x) Deputy Commissioner Inland Revenue issued show cause notices to the Holding Company on 19 May 2022 and on 16 February 2022 against the input tax adjustments of exempt / inadmissible supplies from July 2020 to June 2021 and from July 2021 to November 2021 amounting to Rs. 1.428 million and Rs. 9.282 million respectively in violation of section 8(2) of the Sales Tax Act, 1990. The collective amount was later reduced to Rs. 3.210 million. The appeals before Appellate Tribunal Inland Revenue dated 18 August 2022 and 18 October 2022, subsequent to the reporting date, are being pursued by the Holding Company. On the advice of legal counsel, management is confident that the matters will be decided in the favour of the Holding Company.

(xi) Deputy Commissioner Inland Revenue on 29 June 2021 passed an order under section 122(4) of Income Tax Ordinance, 2001 and made an addition amounting to Rs. 2.127 billion being unexplained income under section 111(1)(b) of Ordinance. The Holding Company on 19 March 2022 filed an appeal before Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication. Moreover due to addition as mentioned above, Additional Commissioner Inland Revenue adjusted the refunds claimed by the Holding Company and a demand of Rs. 31.425 million was created. The Holding Company, being aggrieved has filed an appeal before ATIR on 25 October 2022, subsequent to the reporting date. On the advice of legal counsel, management is confident that the matters will be decided in the favor of the Holding Company.

(xii) Commissioner Inland Revenue (CIR) filed sales tax reference no. 50364/2020 against the Holding Company in Lahore High Court, Lahore on 13 October 2020 challenging the judgment of Appellate Tribunal Inland Revenue of setting aside various sales tax / federal excise duty demands of Rs. 28.817 million. As per Holding Company's legal counsel, no provision is required as the reference filed by CIR is on weak grounds and will be dismissed by the Court.

(xiii) In addition to above-mentioned matters there are certain cases which have been filed against the Holding Company, primarily by the Holding Company's employees, customers and vendors. However, the management is of the view that in the overall context of these consolidated financial statements, there would be no significant liability of the Holding Company against such cases.

(xiv) Bank guarantee amounting to Rs. 59.400 million (2021: Rs. 59.400 million) has been given by the Bank of the Subsidiary Company in favor of Sui Northern Gas Pipelines Limited for the performance of contract.

(xv) The Subsidiary Company has preferred an appeal before the Commissioner Inland Revenue (Appeals) (CIR(A)) against order passed by the Additional Commissioner Inland Revenue for the tax year 2011 under Section 122(5A) of the Income Tax Ordinance, 2001, whereby tax demand of Rs. 6.245 million was created. However, on request for rectification, the tax demand was curtailed to Rs. 1.297 million. The main appeal has been heard on 15 October 2020 and the CIR(A) has deleted the tax demand of Rs. 1.297 million. Additions to the deemed income amounting to Rs. 1.282 million remained in field by deleting impugned additions of Rs. 89.815 million. Based on tax advisor's opinion, management is confident that no tax liability would arise, therefore, no provision has been made in these consolidated financial statements.

(xvi) Assessment for the tax year 2012 was amended under Section 122(5A) of the Income Tax Ordinance, 2001 resulting into additions of Rs. 17.210 million and income tax demand of Rs. 3.366 million. On appeal, the Commissioner Inland Revenue (Appeals) (CIR(A)) has deleted all the additions and demand vide order number 05 dated 12 July 2018. However the department has preferred further appeal against this order of the CIR(A) which is pending for adjudication before the Appellate Tribunal Inland Revenue. Based on opinion of the Subsidiary Company's tax advisor, management is confident that no tax liability would arise, therefore, no provision has been made in these consolidated financial statements.

(xvii) Proceedings under Section 122 (5A) of Income Tax Ordinance, 2001 were initiated and order passed for the tax year 2013 wherein arbitrary additions to the tune of Rs. 177.439 million and tax demand of Rs. 85.448 million were made. This triggered the Subsidiary Company for filing an appeal before the Commissioner Inland Revenue Appeals (CIR(A)), who vide order dated 14 June 2018 annulled the amended assessment order for de-novo proceedings. In reassessment proceedings, additions were curtailed to Rs. 32.625 million. On filing an appeal before the CIR(A), additions to the tune of Rs. 25.153 million were annulled through order number 01 dated 06 January 2020. The Subsidiary Company has preferred an appeal against the said order before the Appellate Tribunal Inland Revenue which is pending for hearing. Based on tax advisor's opinion, management is confident that no tax liability would arise, therefore, no provision has been made in these consolidated financial statements.

(xviii) The Deputy Commissioner Inland Revenue passed an order dated 26 October 2020 under section 11(2) of the Sales Tax Act, 1990 and raised tax demand of Rs. 88.926 million against inadmissible input tax adjustment during the tax periods from July 2014 to June 2017. On filing of appeal, the Commissioner Inland Revenue Appeals vide order No. 21/2020 dated 20 February 2021 upheld the demand of Rs. 1.909 million by disallowing input tax on certain items. No provision has been made in these consolidated financial statements, since the management of the Subsidiary Company, based on tax advisor's opinion, is confident that no liability can be arisen.

(xix) Proceedings under sections 161/205 of the Income Tax Ordinance, 2001 for the tax years 2014 and 2015 were initiated and concluded by Deputy Commissioner Inland Revenue on 14 February 2017 and 03 March 2017 respectively. Under these proceedings, demands of Rs. 1.349 million and Rs. 1.396 million respectively were created. The Subsidiary Company has filed appeals before the Commissioner Inland Revenue (Appeals) (CIR(A)) against orders of afore-mentioned years. With respect to tax year 2014, the appeal of the Subsidiary Company was heard by CIR(A) who deleted impugned recovery amounting to Rs. 0.247 million vide order dated 21 May 2020. The default surcharge was also deleted subject to verification of refunds. Subsidiary Company and department had preferred further appeals before the Appellate Tribunal Inland Revenue which are pending for adjudication. The appeal for tax year 2015 has been concluded by the CIR(A) by deleting impugned demand of Rs. 0.904 million vide order dated 23 September 2020. Based on tax advisor's opinion, management expects favorable outcome of the appeals, therefore no provision has been recorded in these consolidated financial statements.

(xx) The case of the Subsidiary Company was selected for audit of its income tax affairs for the tax year 2014 in the random computerized balloting held on 14 September 2015. The proceedings under Section 177 read with Section 122 of the Income Tax Ordinance, 2001 were completed creating tax demand of Rs. 3.074 million and impugned additions of Rs. 71.312 million. On appeal before the Commissioner Inland Revenue (Appeals) (CIR(A)), additions to the tune of Rs. 5.993 million were deleted and demand of tax was confirmed through order number 03 dated 05 June 2020. Subsidiary Company and the department have further assailed the order before the Appellate Tribunal Inland Revenue which is pending for adjudication. Based on the tax advisor's opinion, management is confident of favorable outcome of the appeal. Therefore, no provision has been made in these consolidated financial statements.

(xxi) The Deputy Commissioner Inland Revenue has passed an order for tax periods from October 2015 to September 2016 by concluding sales tax audit during the year ended 30 September 2021. Sales tax demand of Rs. 1,145.798 million along with penalty of Rs. 159.342 million have been raised on matters of classification of fat filled milk i.e."Chaika & Qudrat", inadmissible input tax claim and excess receipt of sales tax refund. The Subsidiary Company filed appeal against the assessment order before Commissioner Inland Revenue (Appeals) (CIR(A)). CIR(A) has deleted demand of Rs. 201.416 million along with penalty of Rs. 112.094 million and remanded back the tea whitener matter involving demand of Rs. 940.194 million along with penalty of Rs. 47.009 million subject to the classification matter pending adjudication before Supreme Court of Pakistan and Lahore High Court, Lahore at the time of this order. Afterwards, Supreme Court of Pakistan decided the case in favour of dairy industry vide order dated 06 December 2021. Lahore High Court, Lahore has also decided the case in favour of industry vide order dated 28 October 2022, subsequent to the reporting date by setting aside the Classification Committee's Ruling dated 10 December 2021. Based on tax advisor's opinion, management is confident that no tax liability would arise, therefore no provision has been made in these consolidated financial statements.

(xxii) The Deputy Commissioner Inland Revenue passed an order dated 26 August 2022 under section 11(2) of the Sales Tax Act, 1990 and raised tax demand of Rs. 261.324 million along with penalty of Rs. 13.066 million against inadmissible input tax adjustment during the tax periods from July 2020 to June 2021. Against this order, the Subsidiary Company has filed appeal before the Commissioner Inland Revenue Appeals (CIR(A)). No hearing has been yet fixed by the CIR(A). Based on tax advisor's opinion, management is confident that no tax liability would arise, therefore no provision has been made in these consolidated financial statements.

(xxiii) The Subsidiary Company was served a notice for amendment in assessment under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2021. The Subsidiary Company challenged the notice on legal basis that the Commissioner Inland Revenue (CIR) cannot make enquiries from the taxpayer in view of change brought through the Finance Act, 2021. The Subsidiary Company also filed a writ petition before Lahore High Court, Lahore which disposed of the same with direction to the CIR to look into the matter for passing a speaking order. However, the Additional Commissioner Inland Revenue has passed the amended order dated 11 October 2022, subsequent to the reporting date wherein tax demand of Rs. 420.465 million has been raised. The Subsidiary Company has preferred an appeal before the Commissioner Inland Revenue (Appeals) which is pending for adjudication. No provision has been made in these consolidated financial statements, since the management of the Subsidiary Company, based on tax advisor's opinion, is confident that the outcome of the appeal will be in favour of the Subsidiary Company.

b) Commitments

i) Contracts for capital expenditure of the Group are of Rs. 0.426 million (2021: Rs. Nil), while there is no contract for other than capital expenditure (2021: Rs. Nil).

ii) Ijarah commitments are of Rs. 12.013 million (2021: Rs. 15.862 million).

The total of future ijarah payments under arrangement are as follows:

	2022	2021
	Rupees in thousand	
Not later than one year	5,438	14,244
Later than one year and not later than five years	6,575	1,618
	12,013	15,862

These Ijarah arrangements are with BankIslami Pakistan Limited, a related party and OLP Modaraba (formerly Orix Modaraba) against vehicles.

	NOTE	2022	2021
		Rupees in thousand	
14. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	14.1	21,074,204	22,239,821
Capital work-in-progress	14.2	381,533	129,567
		21,455,737	22,369,388

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

14.1 OPERATING FIXED ASSETS

	NOTE	Freehold land	Building	Plant and machinery	Tools and equipment	Water, electric and weighbridge equipment	Furniture and fixtures	Office equipment	Vehicles	Laboratory and milk collection equipment	Arms and ammunition	Library books	Total
		Rupees in thousand											
At 30 September 2020													
Cost / revalued amount		2,782,207	1,774,317	13,587,802	50,637	438,470	85,965	94,717	208,051	35,135	575	10,983	19,068,859
Accumulated depreciation		-	(259,753)	(2,157,924)	(48,952)	(308,457)	(59,918)	(83,380)	(149,600)	(27,893)	(525)	(10,857)	(3,107,259)
Net book value		2,782,207	1,514,564	11,429,878	1,685	130,013	26,047	11,337	58,451	7,242	50	126	15,961,600
Year ended 30 September 2021													
Opening net book value		2,782,207	1,514,564	11,429,878	1,685	130,013	26,047	11,337	58,451	7,242	50	126	15,961,600
Additions		-	11,547	251,121	897	14,559	2,916	3,400	1,926	3,087	-	20	289,473
Net revaluation surplus		439,650	587,486	6,597,803	-	-	-	-	-	-	-	-	7,624,939
Elimination of gross carrying value:													
Cost / revalued amount		-	(224,049)	(1,292,525)	-	-	-	-	-	-	-	-	(1,516,574)
Accumulated depreciation		-	224,049	1,292,525	-	-	-	-	-	-	-	-	1,516,574
		-	-	-	-	-	-	-	-	-	-	-	-
Disposals:													
Cost / revalued amount		(19,147)	(178)	(248,773)	-	(979)	(213)	(873)	(12,353)	(4,083)	-	-	(286,599)
Accumulated depreciation		-	171	42,463	-	942	204	761	7,389	4,082	-	-	56,012
		(19,147)	(7)	(206,310)	-	(37)	(9)	(112)	(4,964)	(1)	-	-	(230,587)
Classified as non current assets held for sale:													
Cost / revalued amount		(148,548)	-	(506,714)	-	-	-	-	-	-	-	-	(655,262)
Accumulated depreciation		-	-	81,286	-	-	-	-	-	-	-	-	81,286
		(148,548)	-	(425,428)	-	-	-	-	-	-	-	-	(573,976)
Depreciation charge		-	(99,358)	(694,970)	(505)	(16,594)	(3,107)	(4,016)	(11,570)	(1,468)	(10)	(30)	(831,628)
Closing net book value		3,054,162	2,014,232	16,952,094	2,077	127,941	25,847	10,609	43,843	8,860	40	116	22,239,821
At 30 September 2021													
Cost / revalued amount		3,054,162	2,149,123	18,388,714	51,534	452,050	88,668	97,244	197,624	34,139	575	11,003	24,524,836
Accumulated depreciation		-	(134,891)	(1,436,620)	(49,457)	(324,109)	(62,821)	(86,635)	(153,781)	(25,279)	(535)	(10,887)	(2,285,015)
Net book value		3,054,162	2,014,232	16,952,094	2,077	127,941	25,847	10,609	43,843	8,860	40	116	22,239,821
Year ended 30 September 2022													
Opening net book value		3,054,162	2,014,232	16,952,094	2,077	127,941	25,847	10,609	43,843	8,860	40	116	22,239,821
Additions		-	3,982	32,001	251	24	3,320	2,793	4,321	-	-	-	46,692
Net revaluation surplus		34,554	41,988	214,202	-	-	-	-	-	-	-	-	290,744
Classification to proper heads:													
Cost		-	-	-	-	46	33	(79)	-	-	-	-	-
Accumulated depreciation		-	-	-	-	(46)	(33)	79	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-
Disposals / De-recognitions:													
Cost / revalued amount		(17,900)	(23,022)	(206,096)	(31,898)	(38,135)	(28,062)	(33,695)	(37,897)	(6,995)	(232)	(102)	(424,034)
Accumulated depreciation		-	1,583	84,236	31,745	37,353	27,245	33,486	34,408	6,992	218	102	257,368
		(17,900)	(21,439)	(121,860)	(153)	(782)	(817)	(209)	(3,489)	(3)	(14)	-	(166,666)
Transferred from non-current assests held for sale	28.1												
Cost / revalued amount		-	-	114,015	-	-	-	-	-	-	-	-	114,015
Accumulated depreciation		-	-	(18,290)	-	-	-	-	-	-	-	-	(18,290)
		-	-	95,725	-	-	-	-	-	-	-	-	95,725
Classified as non current assets held for sale	28.1												
Cost / revalued amount		-	-	(175,291)	-	-	-	-	-	-	-	-	(175,291)
Accumulated depreciation		-	-	62,964	-	-	-	-	-	-	-	-	62,964
		-	-	(112,327)	-	-	-	-	-	-	-	-	(112,327)
Depreciation charge		-	(136,881)	(1,150,257)	(565)	(14,814)	(3,097)	(3,834)	(8,690)	(1,611)	(8)	(28)	(1,319,785)
Closing net book value		3,070,816	1,901,882	15,909,578	1,610	112,369	25,253	9,359	35,985	7,246	18	88	21,074,204
At 30 September 2022													
Cost / revalued amount		3,070,816	2,172,071	18,367,545	19,887	413,985	63,959	66,263	164,048	27,144	343	10,901	24,376,962
Accumulated depreciation		-	(270,189)	(2,457,967)	(18,277)	(301,616)	(38,706)	(56,904)	(128,063)	(19,898)	(325)	(10,813)	(3,302,758)
Net book value		3,070,816	1,901,882	15,909,578	1,610	112,369	25,253	9,359	35,985	7,246	18	88	21,074,204
Annual rate of depreciation (%)		-	5, 7.5	5, 7.5, 30	20, 40	10, 20, 40	10, 20	30, 40	20	10, 40	20	20, 30	

14.1.1 Cost and accumulated depreciation as at 30 September 2021 were reclassified by eliminating gross carrying value of building, plant and machinery against their accumulated depreciation while incorporating revaluation surplus.

14.1.2 Particulars of immoveable properties in the name of the Group are as follows:

Particulars	Location	Area of land
Shakarganj Limited		
Freehold land (Farms)	Land at Chak Rasool Pur	103 Kanals, 13 Marlas
	Land at Moza Billi Habib (Nualan Par)	284 Kanals, 16 Marlas
	Land at Moza Chandia Nasheb	438 Kanals, 1 Marla
	Land at Moza Turbat Haji Shah	17 Kanals, 9 Marlas
	Land at Moza Doka Baloucha	639 Kanals, 5 Marlas
	Land at Moza Kot Esa Shah	1 262 Kanals
	Land at Moza Kot Khan	2 926 Kanals, 4 Marlas
	Land at Chak 462 JB	781 Kanals, 13 Marlas
	Land at Kot Sahai Singh	52 Kanals, 4 Marlas
Freehold land (Bhone)	Land at Chund Bharwana	1 Kanal
	Land at Adda Massan	1 Kanal
	Bhone Unit (factory land)	1 420 Kanals, 4 Marlas
Freehold land (Jhang)	Land at Lalazar	1 Kanal
	Land at Moza Suleman Adda Sher Abad	1 Kanal
	Land at Chak 426 Adda Pul	1 Kanal
	Land at Chak 428 Adda Pul	1 Kanal
	Land at Chak 316 Talwandi	15 Kanals, 16 Marlas
	Land at Moza Sangra Adda Kot Shakir	1 Kanal
	Land at Islam Wala Adda Pul Gagan	1 Kanal
	Land at Adda Kot Bahadar	1 Kanal
	Land at Moza Kalachi Adda	1 Kanal
	Land at Moza Gilmala	1 Kanal
	Land at Malluana More	10 Marlas
	Land at Roran Wali	1 Kanal
	Jhang Unit (factory land)	1 289 Kanals, 5 Marlas
Shakarganj Food Products Limited		
Dairy plant	4 KM Lahore Road, Jaranwala	701 316 Square Feet
Juice plant	Near Ahmad Nagar, Sargodha Road, Tehsil Lalian, District Chiniot	231 957 Square Feet
Fruit procurement centre	Chak No. 13 S.B. Ajnala Station, Muazzamabad Road, Tehsil Bhalwal, District Sargodha	43 560 Square Feet

14.1.3 Detail of operating fixed assets, exceeding the book value of Rs. 500,000, disposed of during the year is as follows:

Description	Cost / revalued amount	Accumulated depreciation	Net book value	Sale proceeds	(Loss) / gain	Mode of disposal	Particulars of purchasers
	---Rupees in thousand---						
Freehold land							
at Thatti Raju (8 Kanals)	4,900	-	4,900	4,850	(50)	Auction	Ghulam Shabbir, Thatti Raju, Tehsil Sahiwal, District Sargodha
at Chak 338 Adda Nia Lahore (1 Kanal)	8,500	-	8,500	8,500	-	Auction	Rana Liaqat Ali, Chak No. 297 J.B., Tehsil Gojra, District Toba Tek Singh
at Adda Daal More (1 Kanal)	2,500	-	2,500	2,500	-	Auction	Muhammad Shafi Baloch, Adda Daal More, Tehsil 18 Hazari, District Jhang
at Chak 1/3L Ahmad Pur Sial (1 Kanal)	1,000	-	1,000	1,050	50	Negotiation	Ghulam Jilani, Chak No. 1/3 L, Tehsil Ahmad Pur Sial, District Jhang
at Pahar Pur, Abbas Nagar (1 Kanal)	1,000	-	1,000	1,000	-	Negotiation	Allah Ditta, Pahar Pur, Tehsil 18 Hazari, District Jhang
	17,900	-	17,900	17,900	-		
Building							
Fish Pond	18,646	1,282	17,364	-	(17,364)	De-recognized	
Plant and machinery							
Mill Roller Shafts	7,875	492	7,383	12,031	4,648	Auction	Muhammad Afzaal, Near Ghalla Mandi, Toba Road, Jhang
TBA 19 - 200ml Machine B	88,476	39,248	49,228	45,225	(4,003)	Negotiation / tender	Popular Group of Industries, Hasrat Mohani Road, Karachi
TBA 19 - 200ml Machine C	54,552	19,540	35,012	41,312	6,300	Negotiation / tender	Pet House for General Trading, Iraq
TBA 19 - 200ml Machine G	54,107	24,124	29,983	34,209	4,226	Negotiation / tender	BAB ALBAHR Engineering, United Arab Emirates
	205,010	83,404	121,606	132,777	11,171		
Aggregate of other items of property, plant and equipment with individual book values not exceeding Rs. 500,000	182,478	172,682	9,796	26,289	16,493		
	424,034	257,368	166,666	176,966	10,300		

14.1.4 The carrying amount of freehold land, building and plant and machinery would have been Rs. 201.830 million (2021: Rs. 204.196 million), Rs. 623.268 million (2021: Rs. 658.565 million) and Rs. 6,636.637 million (2021: Rs. 7,276.203 million) respectively, had there been no revaluation.

14.1.5 Forced sale value as per last revaluation was Rs. 2,470.973 million, Rs. 1,622.223 million and Rs. 13,308.388 million for freehold land, building and plant and machinery respectively.

		NOTE	2022	2021
			Rupees in thousand	
14.1.6	The depreciation charge has been allocated as follows:			
	Cost of sales	30	1,292,112	806,868
	Distribution cost	31	7,087	7,896
	Administrative expenses	32	20,586	16,864
			1,319,785	831,628

14.1.7 Plant and machinery includes assets having cost of Rs. 25.890 million (2021: Rs. 25.890 million) and book value of Rs. 14.329 million (2021: Rs. 15.178 million) mounted on transport contractors' vehicles.

14.2 CAPITAL WORK-IN-PROGRESS

	Civil works	Plant and machinery	Advances for capital expenditure (Note 14.2.1)	Electric Installations	Total
	'----------	----------	Rupees in thousand	----------	----------
At 01 October 2020	1,200	145,011	70,408	21	216,640
Add: Additions during the year	11,643	167,098	-	14,538	193,279
Less: Transferred to operating fixed assets during the year	(11,547)	(239,267)	(11,854)	(14,559)	(277,227)
Less: Adjusted during the year	-	-	(3,125)	-	(3,125)
At 30 September 2021	1,296	72,842	55,429	-	129,567
Add: Additions during the year	8,183	192,764	82,463	-	283,410
Less: Transferred to operating fixed assets during the year	(3,982)	(27,330)	(132)	-	(31,444)
At 30 September 2022	5,497	238,276	137,760	-	381,533

		2022	2021
		Rupees in thousand	
14.2.1	Advances for capital expenditure		
	Considered good:		
	- Plant and machinery	137,760	55,249
	Considered doubtful:		
	- Plant and machinery	21,664	21,664
	- Intangibles	15,274	15,274
		36,938	36,938
		174,698	92,187
	Less: Provision against doubtful advances	(36,938)	(36,938)
		137,760	55,249

15. RIGHT-OF-USE ASSETS

	NOTE	Plant and machinery	Building	Total
		Rupees in thousand		
As at 01 October 2020		1,160,565	19,627	1,180,192
Additions		179,983	-	179,983
Depreciation charge		(66,182)	(9,765)	(75,947)
As at 30 September 2021		1,274,366	9,862	1,284,228
Additions		-	27,831	27,831
Net revaluation surplus		54,575	-	54,575
Depreciation charge	15.1	(63,625)	(10,510)	(74,135)
As at 30 September 2022		1,265,316	27,183	1,292,499
Annual rate of depreciation (%)		5	33	

	NOTE	2022	2021
		Rupees in thousand	
15.1 Depreciation charge for the year has been allocated as follows:			
Cost of sales	30	63,624	66,182
Distribution cost	31	5,329	4,968
Administrative expenses	32	5,182	4,797
		74,135	75,947

	NOTE	2022	2021
		Rupees in thousand	
16. INTANGIBLE ASSET			
Computer software			
Net carrying value basis			
Opening net book value		3,437	4,771
Amortization charged	32	(1,146)	(1,334)
Closing net book value		2,291	3,437
Gross carrying amount			
Cost		6,605	6,605
Accumulated amortization		(4,313)	(3,168)
Closing net book value		2,292	3,437

	2022	2021
Amortization rate (per annum)	20%	20%

16.1 This represents enhancements made to the ERP system named Sidat Hyder Financials. It is stated at historical cost and amortized on straight-line basis over its expected useful life of 5 years.

		NOTE	2022	2021
			Rupees in thousand	
17.	BIOLOGICAL ASSETS			
	Sugarcane - mature	17.1	2,881	12,207
	Rice - mature		-	3,953
	Others - mature		-	72
	Livestock - mature	17.2	30,204	18,333
			33,085	34,565
	Non - current - livestock		30,204	18,333
	Current - crops		2,881	16,232
			33,085	34,565

17.1 The value of mature sugarcane crops is based on estimated average yield of 600 (2021: 637.77) maunds per acre on cultivated area of 12 (2021: 109.37) acres. The cultivated area of current year dropped significantly from last year due to letting out most of the agriculture land instead of cultivating by the Group itself.

17.2 Livestock comprises 234 (2021: 221) cows, heifers, bulls and calves.

		NOTE	2022	2021
			Rupees in thousand	
17.3	Movement during the year			
	Livestock			
	As at 01 October		18,333	17,601
	Gain arising from changes in fair value less estimated point of sale costs		12,742	3,549
	Decrease due to sale / deceased livestock		(871)	(2,817)
	As at 30 September		30,204	18,333
	Crops			
	As at 01 October		16,232	22,191
	Increase due to purchases / costs incurred		61,172	48,374
	Decrease due to harvest / sales		(54,149)	(63,124)
	Fair value adjustment related to sales during the year		(7,023)	14,750
	Fair value adjustment of agricultural assets	30	(13,351)	(5,959)
	As at 30 September		2,881	16,232
			33,085	34,565

	2022	2021
	Rupees in thousand	
18. LONG TERM INVESTMENTS		
At fair value through other comprehensive income		
Related party - quoted		
Crescent Steel and Allied Products Limited 180 000 (2021: 180 000) fully paid ordinary shares of Rs. 10 each.	15,921	15,921
Others - unquoted		
Crescent Group (Private) Limited 220 000 (2021: 220 000) fully paid ordinary shares of Rs. 10 each.	2,200	2,200
Crescent Standard Telecommunications Limited 300 000 (2021: 300 000) fully paid ordinary shares of Rs. 10 each.	3,000	3,000
Innovative Investment Bank Limited 51 351 (2021: 51 351) fully paid ordinary shares of Rs. 10 each	-	-
	21,121	21,121
Less: Fair value adjustment	(14,344)	(11,021)
	6,777	10,100

	NOTE	2022	2021
		Rupees in thousand	
19. LONG TERM LOANS AND ADVANCES			
Long term loans - considered good:			
Executives	19.1/19.2	12,661	12,801
Other employees	19.2	10,943	10,393
		23,604	23,194
Advance to Creek Marina (Private) Limited - considered doubtful	19.4	38,557	38,557
		62,161	61,751
Less: Provision against doubtful advances		38,557	38,557
		23,604	23,194
Less: Current portion shown under current assets	24	9,373	10,284
		14,231	12,910

19.1 Maximum aggregate balance due from executives at the end of any month during the year was Rs. 12.660 million (2021: Rs. 12.801 million).

19.2 These represent interest free loans given to Subsidiary Company's executives and other employees for purchase of vehicles and other purposes recoverable in equal monthly installments and secured against balance to the credit of these employees in the retirement benefit.

19.3 The fair value adjustment in accordance with the requirements of IFRS 9 'Financial Instruments: Recognition and Measurement' arising in respect of staff loan is not considered material and hence not recognized.

19.4 This represents payment for two apartments in the Creek Marina Projects pursuant to a settlement agreement entered into by the Holding Company and the former Crescent Standard Investment Bank Limited in year 2006. The construction work at the site has been halted since year 2011 due to differences between Defence Housing Authority and the developer. The resumption of construction work is still uncertain in near future. Consequently, based on prudence principal the Holding Company provided the above advance in full.

	2022	2021
	Rupees in thousand	
20. LONG TERM DEPOSITS		
Margin against bank guarantee - considered good	59,400	59,400
Security deposits:		
Considered good	62,882	69,753
Considered doubtful	265	265
	122,547	129,418
Less: Provision for doubtful receivables	265	265
	122,282	129,153

	2022	2021
	Rupees in thousand	
21. STORES, SPARE PARTS AND LOOSE TOOLS		
Stores	76,934	60,415
Spare parts	196,869	186,103
Loose tools	822	805
	274,625	247,323
Less: Provision for obsolete items	(2,820)	(2,820)
	271,805	244,503

	NOTE	2022	2021
		Rupees in thousand	
22. STOCK-IN-TRADE			
Raw materials	22.1/22.2	363,028	578,631
Packing material		409,041	521,707
Work-in-process		11,399	13,283
Finished goods	22.3	539,978	855,246
		1,323,446	1,968,867

22.1 These include raw material in transit of Rs. Nil (2021: Rs. 229.604 million)

22.2 These include stock of Rs. 14.268 million (2021: Rs. Nil) held by a third party.

22.3 These include stock of Rs. 0.203 million (2021: Rs. 0.216 million) held by a third party.

22.4 Stock-in-trade of Rs. 0.155 million (2021: Rs. 27.357 million) is being carried at net realizable value.

22.5 The aggregate amount of write-down of inventories to net realizable value recognized as an expense during the year was Rs. Nil (2021: Rs. 15.898 million)

		NOTE	2022	2021
			Rupees in thousand	
23.	**TRADE DEBTS**			
	Unsecured - considered good			
	Others - against contracts		211,481	193,471
	Less: Allowance for expected credit losses	23.1	14,546	11,958
			196,935	181,513
23.1	**Allowance for expected credit losses**			
	Balance as at 01 October		11,958	11,934
	Provision for the year		4,168	24
	Reversal during the year		(1,580)	
	Net provision during the year	33	2,588	24
	Balance as at 30 September		14,546	11,958

23.2 Revenue from the sale of goods is recognized at the time of delivery, while apart from certain advance payments, for credit sales payments is generally due within 30 days from delivery in case of local sales, and in case of export sales for the Holding Company advance payment is received while for Subsidiary Company payment is generally due within 30 days from dispatch.

23.3 As at 30 September 2022, trade debts aggregating to Rs. 182.270 million (2021: Rs. 177.646 million) are past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default. The ageing analysis of these trade debts is as follows:

	2022	2021
Upto 1 month	119,237	92,724
1 to 6 months	58,960	79,902
More than 6 months	4,073	5,020
	182,270	177,646

23.4 Trade debts in respect of foreign and local jurisdictions are as follows:

	2022	2021
Somalia	2,367	-
United States of America	2,436	-
Saudi Arabia	3,366	-
United Kingdom	8,701	12,640
Pakistan	180,065	168,873
	196,935	181,513

		NOTE	2022	2021
			Rupees in thousand	
24.	LOANS AND ADVANCES			
	Considered good:			
	- to employees (against salary)		10,309	22,531
	- to employees (against expenses)		3,608	1,410
	- to executives		1,441	2,152
	- to suppliers and contractors		288,288	85,850
	- to sugarcane growers		9,374	9,926
			313,020	121,869
	Current portion of long term loans and advances	19	9,373	10,284
	Due from related party	24.1	4,226	1,638
			326,619	133,791
	Less: Provision for doubtful loans and advances	24.2	17,167	16,789
			309,452	117,002
24.1	Due from related party			
	Crescent Steel and Allied Products Limited	24.1.1	4,226	1,638

24.1.1 Maximum aggregate balance due from the related party at the end of any month during the year was Rs. 8.410 million (2021: Rs. 6.541 million).

		NOTE	2022	2021
			Rupees in thousand	
24.1.2	The ageing analysis of the balance due from related party is as follows:			
	Upto 1 month		1,127	437
	1 to 6 months		3,099	1,201
			4,226	1,638
24.2	Provision for doubtful loans and advances			
	Balance as at 01 October		16,789	14,251
	Provision for the year		378	3,593
	Reversal during the year		-	(1,055)
	Net provision during the year	33	378	2,538
	Balance as at 30 September		17,167	16,789

		NOTE	2022	2021
			Rupees in thousand	
25.	DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
	Considered good:			
	Security deposits		3,287	3,067
	Export rebate		41,737	41,737
	Prepayments		30,110	28,694
	Sales tax refundable		977,361	283,220
	Receivable from Employees' Provident Fund Trust		16,811	-
	Others		262,650	240,130
			1,331,956	596,848
	Less: Provision against doubtful receivables	25.1	2,593	2,593
			1,329,363	594,255
25.1	Provision for doubtful receivables			
	Balance as at 01 October		2,593	2,448
	Provision for the year		-	145
	Balance as at 30 September		2,593	2,593

		2022	2021
		Rupees in thousand	
26.	SHORT-TERM INVESTMENT		
	At amortized cost		
	Investment in term deposit receipt	55,000	-

26.1 This represents term deposit receipt with United Bank Limited having maturity period of one year and carrying profit at the rate of 8.25% per annum (2021: Nil).

		NOTE	2022	2021
			Rupees in thousand	
27.	CASH AND BANK BALANCES			
	With banks:			
	In current accounts		69,548	223,039
	Term deposit receipt	27.1	-	55,000
	In saving accounts	27.2	2,736	3,551
			72,284	281,590
	Cash in hand		5,316	2,636
			77,600	284,226

27.1 This represented term deposit receipt with United Bank Limited having maturity period of three months and carried profit at the rate ranging from 5.30% to 6.75% per annum.

27.2 These carry profit at the rates ranging from 3.00% to 13.50% (2021: 3.00% to 8.63%) per annum.

27.3 Cash with banks include balance of Rs. 12.862 million (2021: Rs. 34.228 million) with BankIslami Pakistan Limited, a related party.

	NOTE	2022	2021
		Rupees in thousand	
28. NON-CURRENT ASSETS HELD FOR SALE			
The non-current assets classified as held for sale under IFRS-5 'Non Current Assets held for Sale and Discontinued Operations' are summarized hereunder:			
Property, plant and equipment	28.1	202,575	335,180
28.1 Reconciliation of non-current assets held for sale			
As at 01 October		335,180	-
Book value of assets transferred from property, plant and equipment:			
Freehold land		-	148,548
Plant and machinery	14.1	112,327	425,428
		112,327	573,976
Less: Book value of assets disposed of during the year			
Freehold land		-	148,548
Plant and machinery		149,207	90,248
		149,207	238,796
		298,300	335,180
Less: Book value of assets transferred to property, plant and equipment	14.1	95,725	-
As at 30 September		202,575	335,180

28.2 Specific items of freehold land, plant and machinery of Sugar segment of the Holding Company were presented as held for sale following the approval of Board of Directors (BOD) of the Holding Company in the meeting held on 04 January 2021. Significant portion of these assets has been disposed, while an item of plant and machinery has been transferred back to property, plant and equipment as decided by the BOD of the Holding Company in their meeting held on 28 July 2022, because the specific item of plant and machinery can be used by the Holding Company in its operations by overhauling / updation. However for the remaining item of non-current assets held for sale of Rs. 90.248 million, the management is hopeful of completing the sale transaction during the next financial year.

28.2.1 Disposal of plant and machinery classified as non-current assets held for sale was made during the year against sale consideration of Rs. 174.599 million.

28.3 The Subsidiary Company made the decision by approval from its Board of Directors, on 18 August 2022 to sell some of its operating fixed assets. The sale is expected to be completed within one year from the reporting date.

	NOTE	2022	2021
		Rupees in thousand	
29. REVENUE FROM CONTRACTS WITH CUSTOMERS			
Local sales	29.1	27,817,326	25,622,247
Export sales		2,492,350	1,400,203
		30,309,676	27,022,450

		2022	2021
		Rupees in thousand	
29.1	Local sales		
	Sugar	10,168,814	6,985,244
	By-products	800,786	535,191
	Biofuel	352,794	250,207
	Dairy	20,272,152	22,244,594
	Yarn, polyester and cotton	310,577	1,118,864
	Juice	162,194	213,497
	Farm	46,139	54,017
	Waste	242	13,970
		32,113,698	31,415,584
	Less:		
	Sales tax and federal excise duty	2,567,181	2,916,180
	Trade discounts / replacements	1,729,191	2,877,157
		4,296,372	5,793,337
		27,817,326	25,622,247

29.2 Revenue recognized during the year from the contract liabilities at the beginning of the year is Rs. 1172.763 million (2021: Rs. 791.385 million).

29.3 Revenue is recognized at point in time as per the terms and conditions of underlying contracts with customers.

		NOTE	2022	2021
			Rupees in thousand	
30.	COST OF SALES			
	Raw materials consumed		17,822,895	15,770,200
	Cost of raw material sold		12,723	14,933
	Salaries, wages and other benefits	30.1	798,739	801,347
	Consumption of stores, spare parts and loose tools / repair and maintenance		616,106	830,615
	Dyes and chemicals consumed / processing charges		94,295	66,899
	Loading and unloading charges		4,809	4,333
	Packing materials consumed		4,641,506	5,210,387
	Fuel and power		1,518,281	1,253,921
	Insurance		23,272	23,249
	Vehicle running and maintenance		43,308	26,125
	Travelling and conveyance		16,804	12,059
	Printing and stationery		6,503	4,350
	Rent, rates and taxes	30.2	109,177	82,993
	Land preparation and irrigation expenses		3,550	7,430
	Sugarcane research and development		1,765	1,641
	Fair value adjustment of agricultural assets	17.3	13,351	5,959
	Depreciation - owned assets	14.1.5	1,292,112	806,868
	Depreciation - right-of-use assets	15.1	63,624	66,182
	Miscellaneous		70,782	58,668
			27,153,602	25,048,159
	Work-in-process			
	Opening stock		13,283	16,100
	Closing stock		(11,399)	(13,284)
			1,884	2,816
	Cost of goods manufactured		27,155,486	25,050,975
	Finished goods			
	Opening stock		855,246	1,044,561
	Closing stock		(539,978)	(855,246)
			315,268	189,315
			27,470,754	25,240,290

30.1 Salaries, wages and other benefits include following in respect of employees' retirement / other benefits:

	Note	2022	2021
Pension Fund	7.2.1.4	35,111	23,923
Gratuity Fund	7.2.2.4	7,687	5,744
Employees' Provident Fund Trust		7,401	5,917
Staff retirement gratuity	7.2.3.3	32,058	28,503
Accumulating compensated absences	7.2.4.3	274	2,366
		82,531	66,453

30.2 These include ijarah rentals amounting to Rs. 0.112 million (2021: Rs. 0.728 million).

		NOTE	2022	2021
			Rupees in thousand	
31.	DISTRIBUTION COST			
	Storage tank charges		30,919	22,638
	Freight, forwarding and fuel		854,919	786,709
	Handling and distribution		1,431	1,666
	Commission to selling agents		8,605	7,787
	Travelling and conveyance		50,035	36,230
	Rent, rates and taxes	31.1	25,391	29,063
	Postage and telephone		7,101	7,816
	Vehicles' running and maintenance		65,121	41,386
	Entertainment		3,999	3,796
	Printing and stationery		973	970
	Repair and maintenance		4,264	4,864
	Salaries and other benefits	31.2	348,198	332,971
	Insurance		6,743	8,377
	Sales promotion and advertisement	31.3	620,709	411,396
	Utilities		3,465	2,529
	Depreciation - owned assets	14.1.5	7,087	7,896
	Depreciation - right-of-use assets	15.1	5,329	4,968
	Others		1,734	1,755
			2,046,023	1,712,817

31.1 These include ijarah rentals amounting to Rupees 11.072 million (2021: Rupees 19.477 million).

31.2 Salaries and other benefits include following in respect of employees' retirement / other benefits:

	NOTE	2022	2021
Pension Fund	7.2.1.4	346	235
Gratuity Fund	7.2.2.4	75	56
Employees' Provident Fund Trust		73	212
Staff retirement gratuity	7.2.3.3	35,556	29,278
Accumulating compensated absences	7.2.4.3	1,782	3,986
		37,832	33,767

31.3 Sales promotion and advertisement expenditure is net of marketing support credits allowed by Tetra Pak Pakistan Limited aggregating to Rs. 60 million (2021: Rs. 121.061 million).

		NOTE	2022	2021
			Rupees in thousand	
32.	ADMINISTRATIVE EXPENSES			
	Salaries, wages and other benefits	32.1	342,958	342,853
	Repairs and maintenance		11,447	9,062
	Insurance		5,611	5,247
	Vehicles' running and maintenance		25,856	16,711
	Travelling and conveyance		10,200	9,075
	Printing and stationery		1,770	2,049
	Electricity and gas		5,810	4,206
	Telephone and postage		5,518	5,124
	Legal and professional		36,178	37,977
	Auditors' remuneration	32.2	5,090	4,540
	Rent, rates and taxes	32.3	13,318	15,625
	Staff training and development		136	131
	Entertainment		6,315	5,197
	Fee and subscription		23,645	28,544
	Advertisement		329	329
	Registered office expenses		1,062	988
	Amortization	16	1,146	1,334
	Depreciation - owned assets	*14.1.5*	20,586	16,864
	Depreciation - right-of-use assets	*15.1*	5,182	4,797
	Others		4,374	4,429
			526,531	515,082

32.1 Salaries, wages and other benefits include following in respect of employees' retirement / other benefits:

Pension Fund	7.2.1.4	18,449	13,590
Gratuity Fund	7.2.2.4	4,039	3,256
Employees' Provident Fund Trust		3,889	5,462
Staff retirement gratuity	7.2.3.3	5,940	4,025
Accumulating compensated absences	7.2.4.3	524	562
		32,841	26,895

32.2	Auditors' remuneration		
	Riaz Ahmad and Company		
	Audit fee	1,485	1,485
	Fees for half yearly review, consolidation and other certifications	1,085	1,085
	Reimbursable expenses	210	210
		2,780	2,780
	EY Ford Rhodes		
	Audit fee	1,415	1,015
	Review of interim financial statements	325	325
	Group reporting	200	200
	Certifications	100	100
	Reimbursable expenses	270	120
		2,310	1,760
		5,090	4,540

32.3 These include ijarah rentals amounting to Rs. 6.577 million (2021: Rs. 7.995 million).

	NOTE	2022	2021
		Rupees in thousand	

33. OTHER EXPENSES

	NOTE	2022	2021
Workers' profit participation fund	9.1	3,784	15,824
Workers' welfare fund		-	514
Social action programme expenses including salaries	33.1	5,910	5,744
Waste water drainage		8,594	3,151
Allowance for expected credit loss	23.1	2,588	24
Provision for doubtful loans and advances - net	24.2	378	2,538
Provision for doubtful receivables		-	145
Donations	33.2	899	300
Loss on sale of property, plant and equipment		-	63,519
Agriculture expense - net		13,683	19,672
Cold store rent - Fruit pulp dairy		-	4,149
		35,836	115,580

33.1 Social action programme salaries expenses include following in respect of retirement benefits:

	NOTE	2022	2021
Pension Fund	7.2.1.4	414	154
Gratuity Fund	7.2.2.4	91	31
Employees' Provident Fund Trust		87	106
		592	291

33.2 The directors or their spouses have no interest in the donees.

	NOTE	2022	2021
		Rupees in thousand	

34. OTHER INCOME

	NOTE	2022	2021
Income from financial assets			
Return on bank deposits		3,800	8,660
Net exchange gain		47,432	10,823
		51,232	19,483
Income from non-financial assets			
Scrap sales		26,178	49,159
Gain on sale of property, plant and equipment	14.1.3	10,300	-
Gain on sale of non-current assets held for sale		25,392	113,705
Insurance claim		7,083	-
Cold store rent - fruit pulp dairy		389	-
Liabilities no longer payable written back		15,307	3,780
Rental income		26,042	21,076
Amortization of deferred income - Government grant		6,833	16,219
Amortization of deferred income - Others	7.1	1,036	1,104
Others		3,703	1,793
		122,263	206,836
		173,495	226,319

		NOTE	2022	2021
			Rupees in thousand	
35.	FINANCE COST			
	Mark up / interest on:			
	Long term financing		108,015	121,930
	Lease liabilities	6.1	59,895	80,025
	Short term borrowings		166,167	146,169
	Due to Gratuity Fund and Pension Fund - related parties		26,285	-
	Workers' profit participation fund	9.1	14,681	11,329
	Unwinding of discount	5.3	29,096	25,386
	Loss on de-recognition of musharakah financing		31,671	-
	Bank and other charges		157,700	115,340
	Delayed payment surcharge to Tetra Pak Pakistan Limited		140,946	93,817
			734,456	593,996

		2022	2021
		Rupees in thousand	
36.	TAXATION		
	Charge for the year:		
	Current	417,880	350,787
	Prior year	(249,389)	1,990
		168,491	352,777
	Deferred	(345,385)	181,980
		(176,894)	534,757

		2022	2021
37.	LOSS PER SHARE - BASIC AND DILUTED		
	There is no dilutive effect on basic loss per share which is based on:		
	Loss for the year attributable to ordinary shareholders of the Holding Company (Rupees in thousand)	(211,873)	(1,522,939)
	Weighted average number of ordinary shares of Holding Company (Numbers)	125 000 000	125 000 000
	Loss per share (Rupees)	(1.69)	(12.18)

		NOTE	2022	2021
			Rupees in thousand	
38.	CASH GENERATED FROM OPERATIONS			
	Loss before taxation		(330,429)	(928,996)
	Adjustments for non-cash charges and other items:			
	Depreciation - owned assets		1,319,785	831,628
	Depreciation - right-of-use assets		74,135	75,947
	Liabilities no longer payable written back		(15,307)	(3,780)
	(Gain) / loss on sale of property, plant and equipment		(10,300)	63,519
	Gain on sale of non-current assets held for sale		(25,392)	(113,705)
	Fair value adjustment of agricultural assets		13,351	5,959
	Allowance for expected credit losses		2,588	24
	Provision for doubtful other receivables		-	145
	Provision for doubtful loans and advances		378	2,538
	Provision for employees' benefits		142,346	115,709
	Amortization of deferred income		(7,869)	(17,323)
	Amortization of intangible asset		1,146	1,334
	Finance cost		734,456	593,996
	Working capital changes	38..1	(167,090)	678,390
			1,731,798	1,305,385
38.1	Working capital changes			
	(Increase) / decrease in current assets:			
	- Stores, spare parts and loose tools		(27,302)	6,653
	- Stock-in-trade		645,421	(129,577)
	- Biological assets		(11,871)	(732)
	- Trade debts		(18,010)	94,250
	- Loans and advances		(192,828)	81,440
	- Deposits, prepayments and other receivables		(735,108)	(31,894)
			(339,698)	20,140
	Increase in trade and other payables		172,608	658,250
			(167,090)	678,390

38.2 Reconciliation of movement of liabilities to cash flows arising from financing activities:

	2022				
	Unclaimed dividend	Long term financing	Lease liabilities	Short term borrowings	Total
	Rupees in thousand				
Balance as at 01 October	1,944	1,276,702	781,727	1,284,194	3,344,567
Lease liabilities recognized	-	-	27,183	-	27,183
Dividend paid	(28)	-	-	-	(28)
Short term borrowings availed	-	-	-	875,000	875,000
Conversion of musharakah financing	-	(120,000)	-	120,000	-
Repayment of loans	-	(545,525)	-	(894,295)	(1,439,820)
Repayment of lease liabilities	-	-	(193,092)	-	(193,092)
Other charges - non-cash movement	-	58,132	-	-	58,132
Balance as at 30 September	1,916	669,309	615,818	1,384,899	2,671,942

	2021				
	Unclaimed dividend	Long term financing	Lease liabilities	Short term borrowings	Total
	Rupees in thousand				
Balance as at 01 October	1,954	1,346,880	799,654	1,764,892	3,913,380
Lease liabilities recognized	-	-	179,983	-	179,983
Dividend paid	(10)	-	-	-	(10)
Loans availed	-	165,700	-	-	165,700
Short term borrowings availed	-	-	-	1,442,839	1,442,839
Repayment of loans	-	(266,281)	-	(1,923,537)	(2,189,818)
Repayment of lease liabilities	-	-	(197,910)	-	(197,910)
Other charges - non-cash movement	-	30,403	-	-	30,403
Balance as at 30 September	1,944	1,276,702	781,727	1,284,194	3,344,567

39. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amount charged in these consolidated financial statements for remuneration including all benefits to Chief Executive Officer, directors and executives of the Holding Company is as follows:

	Chief Executive Officer		Executive Director		Non-Executive Directors		Executives	
	2022	2021	2022	2021	2022	2021	2022	2021
	Rupees in thousand							
Managerial remuneration	12,708	11,553	6,000	6,000	-	-	77,217	88,665
Allowances								
House rent	5,719	5,199	2,400	2,400	-	-	22,558	28,329
Utilities	1,271	1,155	600	600	-	-	5,489	6,781
Medical	-	-	480	480	-	-	5,240	5,640
Others	-	-	-	-	-	-	1,449	1,875
Contribution to retirement benefits	4,490	4,082	2,120	2,120	-	-	14,117	14,481
Meeting fee	-	-	-	-	840	820	-	-
	24,188	21,989	11,600	11,600	840	820	126,070	145,771
Number of persons	1	1	1	1	6	6	28	32

39.1 The Chief Executive Officer, some directors and some executives of the Holding Company are provided with company maintained car, travel facilities and club membership.

40. PROVIDENT FUND RELATED DISCLOSURE

As at the reporting date, Shakarganj Mills Limited - Employees' Provident Fund Trust is in the process of regularizing its investments in accordance with section 218 of the Companies Act, 2017 and the regulations formulated for this purpose by Securities and Exchange Commission of Pakistan.

	2022	2021
41. NUMBER OF EMPLOYEES		
Number of employees as on 30 September	1 542	2 042
Average number of employees during the year	1 695	2 125

42. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, other related parties, key management personnel and post employment benefit plans. The Group in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties along with basis of relationship, other than those which have been specifically disclosed elsewhere in these consolidated financial statements are as follows:

Name of related party	Basis of relationship	Nature of transactions	2022 Rupees in thousand	2021 Rupees in thousand
Associated companies				
Crescent Steel and Allied Products Limited (CSAPL)	Associate due to shareholding by CSAPL in the Holding Company of 21.93% (2021: 21.93%)	Purchase of goods	543,566	533,641
		Common expenses shared	14,915	11,064
		Sale of goods and rendering of services	607,549	486,135
		Guest house rent and utilities expenses	4,739	4,278
		Stores consumed by CSAPL	-	275
		Stores consumed by the Holding Company	899	324
Premier Insurance Limited	Common directorship	Insurance expense	7,144	10,031
BankIslami Pakistan Limited	Subsidiary's associate	Mark-up expense	71,084	62,864
		Ijarah rentals	235	1,448
Other related parties				
Begum Balqies Saleem	Mother of CEO	Service charges accrued	5,046	6,269
Post employment benefit plans	Employees' Provident Fund Trust, Gratuity Fund and Pension Fund	Expense charged in respect of:		
		Employees' Provident Fund Trust	11,540	11,697
		Pension Fund	54,320	37,902
		Gratuity Fund	11,892	9,031
		Other transactions with Gratuity Fund and Pension Fund		
		- Funds received	254,548	-
		- Mark-up expense	26,285	-

42.1 Detail of compensation to key management personnel of the Holding Company comprising of Chief Executive Officer, directors and executives is disclosed in Note 39.

		2022	2021
43. PLANT CAPACITY AND ACTUAL PRODUCTION			
a) Holding Company			
Sugar			
Jhang			
Rated crushing capacity	(MT / day)	10 000	10 000
On the basis of 145 days (2021: 114 days)	(MT)	1 450 000	1 140 000
Actual sugarcane crushed	(MT)	713 856	518 192
Bhone			
Rated crushing capacity	(MT / day)	6 000	6 000
On the basis of 138 days (2021: 109 days)	(MT)	828 000	660 000
Actual sugarcane crushed	(MT)	633 795	487 883
The low crushing was due to low quality sugarcane.			
Biofuel			
Jhang			
Rated production capacity	(Litres / day)	150 000	150 000
On the basis of average number of 106 days (2021: 64 days) working	(Litres)	15 900 000	9 600 000
Actual production	(Litres)	9 595 800	6 343 333
Bhone			
Rated production capacity	(Litres / day)	200 000	200 000
On the basis of average number of 128 days (2021: 103 days) working	(Litres)	25 600 000	20 600 000
Actual production	(Litres)	11 976 825	8 856 444
Major reason for low production was due to non-availability of raw material at feasible prices.			
Textile			
Capacity (converted in 20s counts)	(Kgs)	9 198 418	9 198 418
Actual production (converted in 20s counts)	(Kgs)	-	5 930 820
The textile unit remained closed due to non-availability of raw materials at feasible price.			
b) Subsidiary Company			
Dairy division			
Ultra Heat Treated Packed Milk, Juice and Cream			
Rated processing capacity on the basis of 353 days (2021: 353 days)	(Litres)	440 714 520	442 619 640
Actual milk, juice and cream processed	(Litres)	168 801 740	212 544 179

		2022	2021
Desi Ghee			
Rated production capacity on the basis of 353 days (2021: 353 days)	(Kgs)	635 400	635 400
Actual desi ghee produced	(Kgs)	73 559	207 479
Juice division			
Fruit Pulps and Concentrate Juices			
Rated production capacity on the basis of 39 days (2021: 79 days)	(Kgs)	2 227 200	3 405 600
Actual fruit processed	(Kgs)	1 037 395	1 950 710

Under utilization of production / processing capacities was due to limited sales orders.

44. SEGMENT INFORMATION

	Sugar		Biofuel		Dairy		Juice		Textile		Farms		Elimination of Inter-segment transactions		Total - Group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	Rupees in thousand															
Revenue from contracts with customers																
External	9,325,634	6,433,034	2,650,538	1,543,292	17,787,731	17,806,517	239,762	217,524	259,872	968,066	46,139	54,017	-	-	30,309,676	27,022,450
Inter segment	1,405,227	1,250,131	71,277	24,396	-	-	133,266	91,716	-	-	8,010	9,107	(1,617,780)	(1,375,350)	-	-
	10,730,861	7,683,165	2,721,815	1,567,688	17,787,731	17,806,517	373,028	309,240	259,872	968,066	54,149	63,124	(1,617,780)	(1,375,350)	30,309,676	27,022,450
Cost of sales	(10,745,603)	(8,239,224)	(2,204,090)	(1,598,825)	(15,371,653)	(15,437,437)	(384,410)	(305,994)	(322,939)	(981,188)	(59,839)	(52,972)	1,617,780	1,375,350	(27,470,754)	(25,240,290)
Gross (loss) / profit	(14,742)	(556,059)	517,725	(31,137)	2,416,078	2,369,080	(11,382)	3,246	(63,067)	(13,122)	(5,690)	10,152	-	-	2,838,922	1,782,160
Distribution cost	(16,218)	(15,061)	(166,831)	(102,165)	(1,840,053)	(1,586,157)	(21,776)	(7,210)	(1,145)	(2,223)	-	-	-	-	(2,046,023)	(1,712,816)
Administrative expenses	(265,450)	(271,884)	(67,078)	(55,564)	(148,529)	(149,172)	-	-	(44,701)	(37,550)	(773)	(912)	-	-	(526,531)	(515,082)
(Loss) / profit before taxation and unallocated expenses / income	(296,410)	(843,004)	283,816	(188,866)	427,496	633,751	(33,158)	(3,964)	(108,913)	(52,895)	(6,463)	9,240	-	-	266,368	(445,739)
Unallocated expenses / income:																
Other expenses															(35,836)	(115,580)
Other income															173,495	226,319
Finance cost															(734,456)	(593,996)
Taxation															176,894	(534,757)
Loss after taxation															(153,535)	(1,463,753)

44.1 Reconciliation of reportable segment assets and liabilities:

	Sugar		Biofuel		Dairy		Juice		Textile		Farms		Total - Group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	Rupees in thousand													
Total assets for reportable segments	9,769,166	10,088,020	5,130,872	4,988,417	10,089,642	9,806,538	605,522	670,937	590,394	858,091	649,536	818,929	26,835,132	27,230,932
Unallocated assets													314,818	438,699
Total assets as per consolidated statement of financial position													27,149,950	27,669,631
Total liabilities for reportable segments	5,003,130	5,062,242	1,481,308	1,846,491	6,888,297	7,123,711	282,866	161,342	211,319	516,799	20,430	18,645	13,887,350	14,729,230
Unallocated liabilities													1,115,794	259,431
Total liabilities as per consolidated statement of financial position													15,003,144	14,988,661

44.2 Geographical information

The Group's segment wise revenue from external customers as per geographical locations is detailed below:

	Sugar 2022	Sugar 2021	Biofuel 2022	Biofuel 2021	Dairy 2022	Dairy 2021	Juice 2022	Juice 2021	Textile 2022	Textile 2021	Farms 2022	Farms 2021	Total - Group 2022	Total - Group 2021
United Kingdom	-	-	-	68,897	2,412	-	42,973	17,536	-	-	-	-	45,385	86,433
Netherlands	-	-	1,998,553	635,626	-	-	19,927	-	-	-	-	-	2,018,480	635,626
Italy	-	-	346,101	-	-	-	-	-	-	-	-	-	346,101	-
China	-	-	-	621,781	-	-	-	-	-	-	-	-	-	621,781
Saudi Arabia	-	-	-	-	-	-	15,044	5,321	-	-	-	-	15,044	5,321
Afghanistan	-	-	-	-	29,472	46,482	-	-	-	-	-	-	29,472	46,482
Vietnam	-	-	-	-	-	-	-	4,560	-	-	-	-	-	4,560
Somalia	-	-	-	-	5,761	-	-	-	-	-	-	-	5,761	-
Qatar	-	-	-	-	1,692	-	-	-	-	-	-	-	1,692	-
Malaysia	-	-	-	-	1,546	-	-	-	-	-	-	-	1,546	-
United Arab Emirates	-	-	-	-	2,719	-	-	-	-	-	-	-	2,719	-
France	-	-	-	-	21,392	-	-	-	-	-	-	-	21,392	-
United States Of America	-	-	-	-	4,758	-	-	-	-	-	-	-	4,758	-
Pakistan	9,325,634	6,433,034	305,884	216,988	17,717,979	17,760,035	161,818	190,107	259,872	968,066	46,139	54,017	27,817,326	25,622,247
	9,325,634	6,433,034	2,650,538	1,543,292	17,787,731	17,806,517	239,762	217,524	259,872	968,066	46,139	54,017	30,309,676	27,022,450

44.3 The Group's revenue from external customers in respect of products is detailed below:

	Sugar 2022	Sugar 2021	Biofuel 2022	Biofuel 2021	Dairy 2022	Dairy 2021	Juice 2022	Juice 2021	Textile 2022	Textile 2021	Farms 2022	Farms 2021	Total - Group 2022	Total - Group 2021
Sugar	8,623,752	5,966,683	-	-	-	-	-	-	-	-	-	-	8,623,752	5,966,683
By-products	701,882	466,351	5,199	4,029	-	-	-	-	-	-	-	-	707,081	470,380
Biofuel	-	-	2,645,339	1,539,263	-	-	-	-	-	-	-	-	2,645,339	1,539,263
Dairy	-	-	-	-	17,787,731	17,806,517	-	-	-	-	-	-	17,787,731	17,806,517
Yarn and polyester	-	-	-	-	-	-	-	-	259,665	956,132	-	-	259,665	956,132
Juice	-	-	-	-	-	-	239,762	217,524	-	-	-	-	239,762	217,524
Farm	-	-	-	-	-	-	-	-	-	-	46,139	54,017	46,139	54,017
Waste	-	-	-	-	-	-	-	-	207	11,934	-	-	207	11,934
	9,325,634	6,433,034	2,650,538	1,543,292	17,787,731	17,806,517	239,762	217,524	259,872	968,066	46,139	54,017	30,309,676	27,022,450

44.4 All non-current assets of the Group as at reporting dates are located and operating in Pakistan.

44.5 The Group's revenue is earned from a large mix of customers.

45. INTERESTS IN OTHER ENTITY

Non-Controlling Interest (NCI)

Set out below is summarized financial information for Shakarganj Food Products Limited - Subsidiary Company that has non-controlling interest to the Group. The amounts disclosed for Subsidiary Company are before inter-company eliminations.

	2022	2021
	Rupees in thousand	
Summarized statement of financial position		
Current assets	3,133,236	2,710,902
Current liabilities	(5,999,913)	(5,791,164)
Net current liabilities	(2,866,677)	(3,080,262)
Non-current assets	7,571,558	7,774,096
Non-current liabilities	(1,197,153)	(1,532,520)
Net non-current assets	6,374,405	6,241,576
Net assets	3,507,728	3,161,314
Accumulated non-controlling interest	1,670,029	1,505,102
Summarized statement of comprehensive income		
Revenue	18,027,493	18,024,041
Profit for the year	122,534	124,315
Other comprehensive income / (loss)	246,083	(6,557)
Total comprehensive income	368,617	117,758
Profit allocated to non-controlling interest	58,338	59,186
Total comprehensive income attributable to non-controlling interest	175,499	56,065
Summarized cash flows		
Cash flows from operating activities	122,091	372,836
Cash flows from / (used in) investing activities	24,936	(85,743)
Cash flows used in financing activities	(382,387)	(326,685)
Net decrease in cash and cash equivalents	(235,360)	(39,592)

46. FINANCIAL RISK MANAGEMENT

46.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Board of Directors of the Holding Company and Subsidiary Company have overall responsibility for the establishment and oversight of each Company's risk management framework. The Board of each Company is also responsible for developing and monitoring each Company's risk management policies.

(a) Market risk

(i) Currency risk

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.

The Group's exposure to currency risk was as follows:

	2022	2021
Trade debts - USD	73,476	74,157
Following significant exchange rates were applied during the year:		
Rupees per US Dollar		
Average rate	199.95	159.31
Reporting date rate	229.45	170.45

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD with all other variables held constant, the impact on loss after taxation for the year would have been Rs. 0.843 million (2021: Rs. 0.632 million) lower / higher mainly as a result of exchange gains / losses on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Group is not exposed to commodity price risk.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange Limited (PSX) Index on the Group's equity (fair value reserve of FVTOCI investments). The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables of FVTOCI instruments held constant and all the Group's equity instruments moved according to the historical correlation with the index:

Index	Impact on statement of other comprehensive income (fair value reserve)	
	2022	2021
	Rupees in thousand	
PSX 100 (5% increase)	339	505
PSX 100 (5% decrease)	(339)	(505)

Equity (fair value reserve) would increase / decrease as a result of gains / losses on equity investments classified as FVTOCI.

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's interest rate risk arises from long term financing, lease liabilities, short term borrowings, term deposit receipt and deposits in saving accounts. Financial instruments at variable rates expose the Group to cash flow interest rate risk. Financial instruments at fixed rate expose the Group to fair value interest rate risk.

At the reporting date, the interest rate profile of the Group's interest bearing financial instruments was:

	2022	2021
	Rupees in thousand	
Fixed rate instruments		
Financial assets		
Term deposit receipt	55,000	-
Financial liabilities		
Long term financing	171,809	399,330
Lease liabilities	615,818	781,727
Floating rate instruments		
Financial assets		
Term deposit receipt	-	55,000
Bank balances - saving accounts	2,736	3,551
Financial liabilities		
Long term financing	497,500	877,372
Short term borrowings	1,384,899	1,284,194

Fair value sensitivity for fixed rate instruments

The Group 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 profit or loss of the Group.

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the year end date, fluctuates by 1% higher / lower with all other variables held constant, loss after taxation for the year would have been Rs. 18.797 million (2021: Rs. 21.030 million) higher / lower mainly as a result of higher / lower interest expense / income on floating rate financial instruments. This analysis is prepared assuming the amounts of financial instruments outstanding at reporting dates were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2022	2021
	Rupees in thousand	
Investments	61,777	10,100
Trade debts	196,935	181,513
Loans and advances	39,403	49,161
Deposits	125,569	132,220
Other receivables	18,971	7,619
Bank balances	72,284	281,590
	514,939	662,203

To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Sales contracts and credit terms are approved by the senior management and where considered necessary, advance payments are obtained from certain parties. The management has set a maximum credit period limit for each type of customers in order to reduce the credit risk.

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts. Management uses actual historical credit loss experience, credit risk characteristics and past days due, adjusted for forward-looking factors specific to the debtors and the economic environment to determine expected credit loss allowance.

The Group's exposure to credit risk and allowance for expected credit losses related to trade debts is disclosed in Note 23.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate.

The credit quality of Group's bank balances can be assessed with reference to external credit ratings as follows:

Bank accounts / term deposit rece	Rating			2022	2021
	Short term	Long term	Agency	Rupees in thousand	
Allied Bank Limited	A1+	AAA	PACRA	3	6
Bank Alfalah Limited	A1+	AA+	PACRA	4,201	10,856
Habib Bank Limited	A-1+	AAA	VIS	7,007	109,302
MCB Bank Limited	A1+	AAA	PACRA	33,312	65,876
National Bank of Pakistan	A-1+	AAA	VIS	385	873
Standard Chartered Bank (Pakistan) Limit	A1+	AAA	PACRA	29	29
Askari Bank Limited	A1+	AA+	PACRA	13	13
United Bank Limited	A-1+	AAA	VIS	58,399	59,496
Banks					
BankIslami Pakistan Limited	A1	A+	PACRA	12,862	34,228
Dubai Islamic Bank Pakistan Limited	A-1+	AA	VIS	232	194
Meezan Bank Limited	A-1+	AAA	VIS	8,651	32
Silkbank Limited	A-2	A-	VIS	927	27
The Bank of Khyber	A1	A	PACRA	343	366
MCB Islamic Bank Limited	A1	A	PACRA	920	292
				127,284	281,590

Due to the Group's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Group. Accordingly, the credit risk is minimal.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Group manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At 30 September 2022, the Group had Rs. 1,053.500 million (2021: Rs. 1,034.606 million) available borrowing limits from financial institutions and Rs. 77.600 million (2020: Rs. 284.226 million) cash and bank balances. Management believes the liquidity risk to be low. Followings are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the tables are undiscounted cash flows.

Contractual maturities of financial liabilities as at 30 September 2022:

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	More than one year
	---------- Rupees in thousand				----------
Non-derivative financial liabilities:					
Long term financing	669,309	893,922	138,922	97,500	657,500
Lease liabilities	615,818	701,624	178,603	163,955	359,066
Trade and other payables	4,575,859	4,575,859	4,575,859	-	-
Unclaimed dividend	1,916	1,916	1,916	-	-
Accrued mark-up	128,048	128,048	128,048	-	-
Short term borrowings	1,384,899	1,403,506	1,403,506	-	-
	7,375,849	7,704,875	6,426,854	261,455	1,016,566

Contractual maturities of financial liabilities as at 30 September 2021:

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	More than one year
Non-derivative financial liabilities:					
Long term financing	1,276,702	1,517,666	487,540	230,342	799,784
Lease liabilities	781,727	918,196	181,779	135,712	600,705
Long term deposit	7,000	-	-	-	7,000
Trade and other payables	5,118,713	5,118,713	5,118,713	-	-
Unclaimed dividend	1,944	1,944	1,944	-	-
Accrued mark-up	85,959	85,959	85,959	-	-
Short term borrowings	1,284,194	1,302,614	1,302,614	-	-
	8,556,239	8,945,092	7,178,549	366,054	1,407,489

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark-up rates effective as at 30 September. The rates of interest / mark-up have been disclosed in Note 5, Note 6 and Note 10 to these consolidated financial statements.

Carrying amount of long term financing as at 30 September 2022 includes overdue installments of principal amounting to Rs. 41.413 million (2021: Rs. 81.581 million).

46.2 Financial instruments by categories

	2022			2021		
	At amortized cost	At FVTOCI	Total	At amortized cost	At FVTOCI	Total
	Rupees in thousand					
Assets as per consolidated statement of financial position						
Investments	55,000	6,777	61,777	-	10,100	10,100
Loans and advances	39,403	-	39,403	49,161	-	49,161
Deposits	125,569	-	125,569	132,220	-	132,220
Other receivables	18,971	-	18,971	7,619	-	7,619
Trade debts	196,935	-	196,935	181,513	-	181,513
Cash and bank balances	77,600	-	77,600	284,226	-	284,226
	513,478	6,777	520,255	654,739	10,100	664,839

	2022	2021
	At amortized cost	
	Rupees in thousand	
Liabilities as per consolidated statement of financial position		
Long term financing	669,309	1,276,702
Lease liabilities	615,818	781,727
Long term deposits	-	7,000
Short term borrowings	1,384,899	1,284,194
Trade and other payables	4,575,859	5,118,713
Accrued mark-up	128,048	85,959
Unclaimed dividend	1,916	1,944
	7,375,849	8,556,239

46.3 Reconciliation of financial assets and financial liabilities to the line items presented in the consolidated statement of financial position is as follows:

	2022			2021		
	Financial assets	Other than financial assets	Total	Financial assets	Other than financial assets	Total
	Rupees in thousand					
Assets as per consolidated statement of financial position						
Investments	61,777	-	61,777	10,100	-	10,100
Loans and advances	39,403	284,280	323,683	49,161	80,751	129,912
Deposits	125,569	-	125,569	132,220	-	132,220
Prepayments and other receivables	18,971	1,307,105	1,326,076	7,619	583,569	591,188
Trade debts	196,935	-	196,935	181,513	-	181,513
Cash and bank balances	77,600	-	77,600	284,226	-	284,226
	520,255	1,591,385	2,111,640	664,839	664,320	1,329,159

	2022			2021		
	Financial liabilities	Other than financial liabilities	Total	Financial liabilities	Other than financial liabilities	Total
	------------------------------- Rupees in thousand ------------------------------------					
Liabilities as per consolidated statement of financial position						
Long term financing	669,309	-	669,309	1,276,702	-	1,276,702
Lease liabilities	615,818	-	615,818	781,727	-	781,727
Long term deposits	-	-	-	7,000	-	7,000
Short term borrowings	1,384,899	-	1,384,899	1,284,194	-	1,284,194
Trade and other payables	4,575,859	3,815,344	8,391,203	5,265,305	2,958,266	8,223,571
Accrued mark-up	128,048	-	128,048	85,959	-	85,959
Unclaimed dividend	1,916	-	1,916	1,944	-	1,944
	7,375,849	3,815,344	11,191,193	8,702,831	2,958,266	11,661,097

46.4 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends to be paid to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Group monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent long term financing and short term borrowings obtained by the Group as referred in Note 5 and 10 respectively. Total capital employed includes 'total equity' as shown in the consolidated statement of financial position plus 'borrowings'.

		2022	2021
Borrowings	Rupees in thousand	2,342,019	2,808,045
Total equity	Rupees in thousand	12,146,806	12,680,970
Total capital employed	Rupees in thousand	14,488,825	15,489,015
Gearing ratio	Percentage	16.16	18.13

47. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into following three levels. An explanation of each level follows underneath the table:

Recurring fair value measurements	Level 1	Level 2	Level 3	Total
Financial assets				
At 30 September 2022				
At fair value through other comprehensive income	6,777	-	-	6,777
At 30 September 2021				
At fair value through other comprehensive income	10,100	-	-	10,100

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to the short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer out of level 3 measurements.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation technique used to determine fair values

Specific valuation technique used to value financial instruments include the use of quoted market prices for listed securities.

48. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

The judgements and estimates are made for the non-financial assets that are recognized and measured at fair value in these consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its non-financial assets into the following three levels.

	Level 1	Level 2	Level 3	Total
	------------------------------ Rupees in thousand ------------------------------			
At 30 September 2022				
Recurring fair value measurements				
Property, plant and equipment				
Freehold land	-	3,070,816	-	3,070,816
Building	-	1,319,488	582,394	1,901,882
Plant and machinery	-	10,826,396	5,083,182	15,909,578
Right-of-use assets - Plant and machinery	-	-	1,265,316	1,265,316
Biological assets	-	30,204	2,881	33,085
Total non-financial assets	-	15,246,904	6,933,773	22,180,677

	Level 1	Level 2	Level 3	Total
	Rupees in thousand			
At 30 September 2021				
Recurring fair value measurements				
Property, plant and equipment				
Freehold land	-	3,054,162	-	3,054,162
Building	-	1,445,383	568,849	2,014,232
Plant and machinery	-	11,622,400	5,329,694	16,952,094
Right-of-use assets - Plant and machinery	-	-	1,274,366	1,274,366
Biological assets	-	18,333	16,232	34,565
Total non-financial assets	-	16,140,278	7,189,141	23,329,419

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further, there was no transfer in and out of level 3 measurements.

(ii) Valuation techniques used to determine level 2 fair values

The Group obtains independent valuation for its freehold land, building, plant and machinery at least after every three years. The management updates the assessment of the fair value of property, plant and equipment taking into account the most recent independent valuation. The management determines the value of these assets within a range of reasonable fair value estimates. The best evidence of fair value of land is current prices in an active market for similar lands. The best evidence of fair value of building is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the new construction / replacement value of the same building. The best evidence of fair value of plant and machinery is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the value of new plant and machinery of the same specifications. The fair value of standing crops is based on the support price fixed by the Government and other factors such as estimated crop yield and area under cultivation. The fair value of livestock is estimated on the basis of market prices of livestock of similar age, breed and genetic merit.

Valuation processes

The Group engages external, independent and qualified valuers to determine the fair value of the Group's freehold land, building, plant and machinery after three years. The fair value of these assets has been determined by independent valuers Messrs Hamid Mukhtar and Company (Private) Limited and Messrs Surval on 30 September 2021 and on 30 September 2022 respectively. The fair value of biological assets are determined by the related experts keeping in view the current market conditions and other salient factors.

49. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

50. DATE OF AUTHORIZATION

These consolidated financial statements were authorized for issue on 31 January 2023 by the Board of Directors.

51. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.

Chief Executive Officer | Director | Chief Financial Officer

PATTERN OF SHAREHOLDING

Form - 34

The Companies ACT, 2017
The Companies (General Provisions and Forms) Regulations, 2018[Section 227(2)(f)]
Pattern of Shareholding

PART -I

1.1 Name of The Company Shakarganj Limited

PART -II

2.1 Pattern of Holding of the Shares held by the Shareholders as at : 30 September 2022

2.2

No. of Shareholders	Shareholding		Total Shares Held
	From	To	
432	1	100	12,007
313	101	500	95,601
173	501	1,000	131,490
274	1,001	5,000	599,474
59	5,001	10,000	415,832
16	10,001	15,000	185,154
9	15,001	20,000	159,064
10	20,001	25,000	223,097
6	25,001	30,000	160,380
5	30,001	35,000	167,142
3	35,001	40,000	117,164
4	40,001	45,000	165,470
6	45,001	50,000	281,349
3	50,001	55,000	155,839
3	55,001	60,000	174,920
2	60,001	65,000	126,116
3	65,001	70,000	200,120
8	70,001	75,000	587,105
1	75,001	80,000	76,252
1	80,001	85,000	84,504
2	85,001	90,000	176,363
1	95,001	100,000	95,146
2	100,001	105,000	201,872
2	105,001	110,000	216,852
1	115,001	120,000	115,967
1	120,001	125,000	120,861
1	125,001	130,000	128,675

2.2

No. of Shareholders	Shareholding From	Shareholding To	Total Shares Held
1	130,001	135,000	133,178
1	140,001	145,000	142,017
1	150,001	155,000	150,933
1	160,001	165,000	164,772
1	175,001	180,000	175,230
1	185,001	190,000	189,501
2	195,001	200,000	399,385
1	205,001	210,000	206,000
1	220,001	225,000	223,140
1	250,001	255,000	252,552
1	260,001	265,000	263,700
1	295,001	300,000	297,727
1	320,001	325,000	320,454
1	455,001	460,000	458,500
1	495,001	500,000	498,000
1	655,001	660,000	657,754
1	740,001	745,000	743,980
1	770,001	775,000	772,727
1	785,001	790,000	788,611
1	915,001	920,000	916,582
1	965,001	970,000	968,463
1	1,010,001	1,015,000	1,014,000
1	1,275,001	1,280,000	1,277,100
1	1,375,001	1,380,000	1,375,427
1	1,745,001	1,750,000	1,750,000
1	2,035,001	2,040,000	2,035,600
1	3,565,001	3,570,000	3,568,754
1	4,995,001	5,000,000	5,000,000
1	5,090,001	5,095,000	5,090,908
1	5,305,001	5,310,000	5,306,818
1	6,015,001	6,020,000	6,015,137
1	7,050,001	7,055,000	7,051,136
1	7,600,001	7,605,000	7,602,272
1	9,015,001	9,020,000	9,019,690
1	9,635,001	9,640,000	9,635,721
1	17,950,001	17,955,000	17,951,340
1	27,405,001	27,410,000	27,409,075
1,379			125,000,000

2.3 Categories of Shareholder

		Share held	Percentage
2.3.1	Directors, CEO, Their Spouse and Minor Childern	6,321,921	5.06
2.3.2	Associated Companies, Undertakings & Related Parties	46,435,922	37.15
2.3.3	NIT & ICP	6,015,137	4.81
2.3.4	Banks, DFIs, NBFCs	106,854	0.09
2.3.5	Insurance Companies	8	0.00
2.3.6	Modarabas and Mutual Funds	14,953	0.01
2.3.8	A. General Public (Local)	24,536,022	19.63
2.3.9	A. Other Companies (Local)	41,568,967	33.26
2.3.9	B. Other Companies (Foreigner)	216	0.00
		125,000,000	100.00

Shareholders More Than 10.00%

CRESCENT STEEL AND ALLIED PRODUCTS LTD.	27,409,075	21.93
MASOOD FABRICS LTD	17,951,340	14.36

NOTICE OF 55TH ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting ("AGM") of the shareholders of Shakarganj Limited (the "Company") will be held on Monday, 27 February 2023 at 11:00 a.m. at the Executive Floor, IT Tower, 73 E 1, Hali Road, Gulberg III, Lahore and through video link to transact the following ordinary business:

1. To receive, consider and adopt the Chairman's Review Report, the Reports of Directors and Auditors together with Audited Annual Separate and Consolidated Financial Statements of Shakarganj Limited for the year ended 30 September 2022.

2. To appoint Company's auditors and to fix their remuneration. The members are hereby notified that the Audit Committee and the Board of Directors have recommended the name of M/s HLB Ijaz Tabussum & Co. Chartered Accountants for appointment as auditors of the Company.

BY ORDER OF THE BOARD

Asif Ali
Company Secretary

Lahore: 31 January 2023

Notes:

1. Venue and participation by video Link:

In view of the requirements of the Securities and Exchange Commission of Pakistan, the following arrangements have been made by the Company for participation of shareholders in the AGM:

(a) The venue of the meeting for shareholders who wish to attend the AGM physically will be Executive Floor, IT Tower, 73 E 1, Hali Road, Gulberg III, Lahore.

(b) The AGM can be attended by shareholders using smart phones/tablets/computers. To attend the meeting through video link, members and their proxies are requested to register themselves by providing the following information along with valid copy of Computerized National Identity Card (both sides)/passport, attested copy of board resolution / power of attorney (in case of corporate shareholders) through email at asif.malik@shakarganj.pk by 25 February 2023.

Name of member	CNIC No.	CDC Account No/Folio No.	Cell Number	Email address

The members who are registered after the necessary verification shall be provided a video link by the Company on the same email address that they email the Company with. The Login facility will remain open from start of the meeting till its proceedings are concluded.

2. Book Closure and Proxies:

The Share Transfer Books of the Company will remain closed from 20 February 2023 to 27 February 2023 (both days inclusive). Transfers received in order at the office of our Share Registrar, M/s CorpTec Associates (Pvt) Limited, 503-E, Johar Town, Lahore by the close of business on 18 February 2023, will be treated in time for the entitlement to attend, speak and vote at the AGM.

(a) A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend and vote instead of him/her and a proxy so appointed shall have the same rights, as respects attending, speaking and voting at the AGM as are available to the members. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form. A Proxy must be a member of the Company.

(b) The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarial attested copy of the power of attorney must be deposited at the Registered Office of the Company at least 48 hours before the time of the meeting. Proxy Forms, in English and Urdu languages, have been dispatched to the members along with the notice of AGM.

3. e-Payment of Dividend:

The provisions of Section 242 of the Companies Act, 2017 require the listed companies that any dividend payable in cash shall only be paid through electronic mode directly into the bank account of designated by the entitled shareholders. Accordingly, the shareholders holding physical shares are requested to provide the Company's Share Registrar at the address given herein above, electronic dividend mandate on E-Dividend Form provided in the annual report and also available on website of the Company. In the case of shares held in CDC, the same information should be provided to the CDS participants for updating and forwarding to the Company. In case of non-submission, all future dividend payments may be withheld.

4. Zakat Declarations:

The members of the Company are required to submit Declaration for Zakat exemption in terms of Zakat and Ushr Ordinance, 1980.

5. Circulation of Financial Statements:

The shareholders who wish to receive hard copy of the Annual Report may send to the Company Secretary / Share Registrar, the Standard Request Form provided in the annual report and also available on the website of the Company and the Company will supply hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand. The shareholders who intends to receive the annual report including the notice of meeting through e-mail are requested to provide their written consent on the Standard Request Form provided in the annual report and also available on the Company's website: www.shakarganj.pk

6. Unclaimed Dividend / Shares:

Shareholders, who by any reason, could not claim their dividend or bonus shares or did not collect their physical shares, if any, are advised to contact our Share Registrar M/s. Corptec Associates (Private) Limited, 503-E, Johar Town, Lahore, to collect/enquire about their unclaimed dividend / shares, if any.

7. Placement of Financial Statements:

The Company has placed a copy of the Notice of AGM, Annual Separate and Consolidated Financial Statements for the year ended 30 September 2022 along with Auditors and Directors Reports thereon and Chairman's Review on the website of the Company: www.shakarganj.pk

8. Deposit of Physical Shares in to CDC Accounts:

As per Section 72 of the Companies Act, 2017, every existing company shall replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Securities and Exchange Commission of Pakistan, within a period not exceeding four years from the commencement of the Companies Act, 2017 i.e. 31 May 2017. The shareholder holding shares in physical form are requested to please convert their shares in the book entry form. For this purpose, the shareholders may open CDC sub-account with any of the brokers or investor's account directly with the CDC to place their physical shares into scrip-less form. This will facilitate them in many ways including safe custody and sale of shares, anytime they want as the trading of physical shares is not permitted as per existing Regulations of the Pakistan Stock Exchange Limited. It also reduces the risks and costs associated with storing share certificate(s) and replacing lost or stolen certificate(s) as well as fraudulent transfer of shares. For the procedure of conversion of physical shares into book-entry form, you may approach our Share Registrar at the contact information given above.

3۔ ڈیویڈینڈ کی ای پیمنٹ

کمپنیز ایکٹ 2017ء کی دفعہ 242 کی پروویژنز کے مطابق فہرستی کمپنیوں کیلئے ضروری ہے کہ کوئی منافع منقسمہ قابل ادا نقد صورت میں فقط الیکٹرونک موڈ کے ذریعے براہِ راست مستحق حصص داران کی طرف سے منسوب بینک اکاؤنٹ میں کیا جائیگا۔اس کے مطابق مادی حصص کے مالک حصص داران سے درخواست ہے درج بالا پتہ پر کمپنی کے شیئر رجسٹرار کو سالانہ رپورٹ میں مہیا شدہ اور کمپنی کی ویب سائٹ پر بھی دستیاب ای ڈیویڈینڈ فارم پر الیکٹرونک ڈیویڈینڈ مینڈیٹ فراہم کریں۔ سی ڈی سی میں حصص رکھنے کی صورت میں، یہ معلومات اپ ڈیٹنگ اور کمپنی کو ارسال کرنے کیلئے سی ڈی ایس پارٹیسپنٹس کو مہیا کی جانی چاہئیں۔ جمع نہ کروانے کی صورت میں، آئندہ کے تمام منافع کی ادائیگی روکی جا سکتی ہے۔

4۔زکوٰۃ ڈیکلیریشن

کمپنی کے ارکان کو زکوٰۃ اینڈ عشر آرڈیننس 1980 کی شرائط میں زکوٰۃ ایگزیمپشن کے لئے کمپنی کے ہاں ڈیکلیریشن جمع کرانا ضروری ہے۔

5۔ مالی حسابات کی ترسیل

حصص داران جو مذکورہ بالا دستاویزات کی ہارڈ کاپیاں وصول کرنا چاہتے ہوں کمپنی سیکرٹری/شیئر رجسٹرار کو سالانہ رپورٹ میں مہیا شدہ اور کمپنی کی ویب سائٹ پر بھی دستیاب معیاری درخواست فارم ارسال کریں اور کمپنی حصص داران کو مطالبہ پر مذکورہ بالا دستاویزات ایسی طلب کے ایک ہفتہ کے اندر مفت مہیا کرے گی۔ حصص داران جو سالانہ رپورٹ بشمول اجلاس کے نوٹسز بذریعہ ای میل بھی وصول کرنا چاہتے ہوں سے درخواست ہے کہ سالانہ رپورٹ میں مہیا شدہ اور کمپنی کی ویب سائٹ www.shakarganj.pk پر بھی دستیاب معیاری درخواست فارم پر اپنی تحریری رضامندی فراہم کریں۔

6۔ان کلیم ڈیویڈنڈ / شیئرز

حصص داران کے ان کلیم ڈیویڈنڈز، جو کسی وجہ سے اپنے ڈیویڈنڈ یا بونس شیئرز کلیم نہیں کر سکے یا اپنے مادی حصص حاصل نہیں کر سکے تھے، اگر کوئی ہوں، سے التماس ہے کہ ہمارے شیئر رجسٹرار میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، 503-E، جوہر ٹاؤن لاہور سے اپنے ان کلیم ڈیویڈنڈ، اگر کوئی ہوں، کے بارے دریافت/حاصل کرنے کے لئے رابطہ کریں۔

7۔مالی حسابات کی پلیسمنٹ

کمپنی 30 ستمبر 2022ء کو ختم ہوئے سال کیلئے نظر ثانی شدہ جداگانہ اور مربوط سالانہ مالی حسابات معہ ان پر آڈیٹران اور ڈائریکٹران کی رپورٹس اور چیئرمین کی جائزہ رپورٹ اپنی ویب سائٹ www.shakarganj.pk پر رکھ چکی ہے۔

8۔CDC اکاؤنٹس میں فزیکل شیئرز جمع کروانا

کمپنیز ایکٹ، 2017 کے سیکشن 72 کے مطابق، ہر موجودہ کمپنی اپنے فزیکل شیئرز کو بک انٹری فارم کے ساتھ تبدیل کرے گی جیسا کہ بیان کیا گیا ہے اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے مطلع کردہ تاریخ سے، ایک مدت کے اندر کمپنیز ایکٹ، 2017 کے آغاز سے چار سال یعنی 31 مئی 2017۔فزیکل شکل میں حصص رکھنے والے شیئر ہولڈر سے درخواست کی جاتی ہے کہ براہ کرم اپنے حصص کو بک انٹری فارم میں تبدیل کریں۔اس مقصد کے لیے، شیئر ہولڈرز کسی بھی بروکرز یا سرمایہ کار کے اکاؤنٹ کے ساتھ براہ راست سی ڈی سی کے ساتھ سی ڈی سی کا ذیلی اکاؤنٹ کھول سکتے ہیں تا کہ اپنے فزیکل شیئرز کو اسکرپ لیس فارم میں رکھ سکیں۔یہ انہیں کئی طریقوں سے سہولت فراہم کرے گا جس میں حصص کی محفوظ تحویل اور فروخت بھی شامل ہے، جب وہ چاہیں، کیونکہ پاکستان اسٹاک ایکسچینج لمیٹڈ کے موجودہ ضوابط کے مطابق فزیکل شیئرز کی تجارت کی اجازت نہیں ہے۔یہ شیئر سرٹیفکیٹ (سرٹیفکیٹ) کو ذخیرہ کرنے اور گمشدہ یا چوری شدہ سرٹیفکیٹ کو تبدیل کرنے کے ساتھ ساتھ حصص کی دھوکہ دہی سے منتقلی سے وابستہ خطرات اور اخراجات کو بھی کم کرتا ہے۔فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنے کے طریقہ کار کے لیے، آپ اوپر دی گئی رابطہ معلومات پر ہمارے شیئر رجسٹرار سے رجوع کر سکتے ہیں۔

اطلاع 55 واں سالانہ اجلاس عام

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ شکر گنج لمیٹڈ (کمپنی) کا 55 واں سالانہ اجلاس ایگزیکٹو فلور، آئی ٹی ٹاور 73 E 1، حالی روڈ، گلبرگ III، لاہور پر اور ویڈیو لنک کے ذریعے 27 فروری 2023ء بروز سوموار صبح 11:00 بجے درج ذیل عمومی امور کی انجام دہی کیلئے منعقد ہوگا۔

1۔ 30 ستمبر 2022ء کو ختم ہوئے سال کیلئے کمپنی کے نظر ثانی شدہ جداگانہ اور مربوط سالانہ مالی حسابات معہ ان پر ڈائریکٹرز اور آڈیٹرز کی رپورٹس، چیئرمین کی جائزہ رپورٹ کی وصولی، غور وخوض اور منظور کرنا۔

2۔ کمپنی کے آڈیٹرز کا تقرر اور ان کے صلہ خدمت کا تعین کرنا۔ ارکان کو بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے میسرز ایچ ایل بی اعجاز تبسم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو کمپنی کے آڈیٹرز کی حیثیت سے مقرر کرنے کی سفارش کی ہے۔

بحکم بورڈ

آصف علی

کمپنی سیکرٹری

لاہور

مورخہ: 31 جنوری 2023ء

نوٹس

1۔ ویڈیو لنک کے ذریعے مقام اور شمولیت

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی ضروریات کے پیش نظر، کمپنی کی جانب سے AGM میں شیئر ہولڈرز کی شرکت کے لیے درج ذیل انتظامات کیے گئے ہیں:

a) جو حصص داران جسمانی طور پر AGM میں شرکت کرنے کی خواہش رکھتے ہوں ان کے لیے میٹنگ کا مقام ایگزیکٹو فلور، آئی ٹی ٹاور 73 E 1، حالی روڈ، گلبرگ III، لاہور ہوگا۔

b) سمارٹ فونز/ٹیبلٹ/کمپیوٹر کا استعمال کرتے ہوئے اے جی ایم میں شرکت کی جا سکتی ہے۔ ویڈیو لنک کے ذریعے اجلاس میں شرکت کے لئے، ممبران اور ان کے پراکسیز سے درخواست ہے کہ وہ 25 فروری 2023 تک asif.malik@shakarganj.pk پر ای میل کے ذریعے اپنے کمپیوٹرائزڈ قومی شناختی کارڈ (دونوں اطراف) / پاسپورٹ، بورڈ ریزولوشن/ پاور آف اٹارنی کی تصدیق شدہ کاپی (کارپوریٹ شیئر ہولڈرز کی صورت میں) کے ساتھ مندرجہ ذیل معلومات فراہم کر کے اپنا اندراج کریں۔

ممبر کا نام	شناختی کارڈ نمبر	CDC اکاؤنٹ نمبر/فولیو نمبر	موبائل نمبر	ای میل ایڈریس

ضروری تصدیق کے بعد رجسٹرڈ ہونے والے ممبروں کو کمپنی کے ذریعہ اسی ای میل ایڈریس پر ایک ویڈیو لنک فراہم کیا جائے گا جس کے ساتھ وہ کمپنی کو ای میل کرتے ہیں۔ لاگ ان کی سہولت میٹنگ کے آغاز سے اس کی کارروائی مکمل ہونے تک کھلی رہے گی۔

2۔ کتابوں کی بندش اور پراکسیز

کمپنی کی حصص منتقلی کتابیں 20 فروری 2023ء تا 27 فروری 2023ء (بشمول ہر دو ایام) بند رہیں گی۔ کمپنی کے شیئر رجسٹرار دفتر میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ 503-E جوہر ٹاؤن لاہور پر 18 فروری 2023ء کو کاروبار کے اختتام تک موصولہ منتقلیاں اجلاس عام (AGM) میں شرکت کے استحقاق بولنے اور ووٹ دینے کے حق کیلئے بروقت تصور ہونگی۔

a) اس میٹنگ میں شرکت کرنے اور ووٹ دینے کا حقدار ممبر اپنی جگہ کسی دوسرے ممبر کو شرکت کرنے اور ووٹ دینے کے لیے اپنا پراکسی مقرر کر سکتا ہے اور اس طرح مقرر کردہ پراکسی کو بھی وہی حقوق حاصل ہوں گے، جو شرکت کرنے، بولنے اور ووٹ دینے کے حوالے سے ہیں۔ AGM میں جیسا کہ اراکین کے لیے دستیاب ہے۔ پراکسی فارم پر دو افراد گواہی دیں گے، جن کے نام، پتے اور CNIC نمبر فارم پر درج ہوں گے۔ ایک پراکسی کمپنی کا ممبر ہونا ضروری ہے۔

b) پراکسی اور پاور آف اٹارنی یا دیگر اتھارٹی کا تقرر کرنے والا آلہ جس کے تحت اس پر دستخط کیے گئے ہیں یا پاور آف اٹارنی کی نوٹیریل تصدیق شدہ کاپی کمپنی کے رجسٹرڈ آفس میں کم از کم 48 گھنٹے پہلے جمع کرائی جانی چاہیے۔ پراکسی فارم انگلش اور اردو زبانوں میں ممبران کو AGM کے نوٹس کے ساتھ بھیجے گئے ہیں۔

ڈائریکٹرز کی مجتمع رپورٹ

شکر گنج لمیٹڈ کے ڈائریکٹرز 30 ستمبر 2022 کو ختم ہونے والے سال کے لئے گروپ کے آڈٹ شدہ مجتمع مالی حسابات کے ساتھ اپنی رپورٹ پیش کرنے میں خوشی محسوس کرتے ہیں۔ اس گروپ میں شکر گنج لمیٹڈ اور اس کی جزوی طور پر ملکیتی ماتحت ادارہ ہے جس کا نام شکر گنج فوڈ پروڈکٹس لمیٹڈ ہے۔

30 ستمبر 2022 کو ختم ہونے والے سال کے لئے شکر گنج لمیٹڈ کی کارکردگی سے متعلق تبصروں کو ڈائریکٹرز کی رپورٹ میں الگ سے پیش کیا گیا ہے۔

گروپ کے مالیاتی نتائج:

گروپ کے مالیاتی نتائج کا خلاصہ حسبِ ذیل ہے:

روپے ہزاروں میں

	2022	2021
فروخت- خالص	30,309,676	27,022,450
مجموعی منافع	2,838,922	1,782,160
آپریشنز سے نقصان	(404,027)	(335,000)
قبل از ٹیکس نقصان	(330,429)	(928,996)
ٹیکسیشن	176,894	(534,757)
بعد از ٹیکس نقصان	(153,535)	(1,463,753)
نقصان فی شیئر- بنیادی اور معتدل (روپے)	(1.69)	(12.18)

گروپ کی بنیاد پہ مجتمع بیلنس شیٹ 30 ستمبر 2021 کے 27,669.63 ملین روپے کے مقابلے میں 30 ستمبر 2022 کو 27,149.95 ملین روپے پر رہی۔ مجموعی ایکویٹی 30 ستمبر 2021 پہ 12,680.97 ملین روپے سے 30 ستمبر 2022 پہ 12,146.81 ملین روپے تک کم ہوگئی۔

ترتیب حصص داری اور حصص کی تجارت

ترتیب حصص داری اور اضافی معلومات اس رپورٹ سے منسلک ہیں۔ ڈائریکٹرز، ایگزیکٹو اور ان کے زوج اور چھوٹے بچوں کی طرف سے کمپنی کے حصص میں کوئی تجارت نہیں کی گئی ہے۔

بعد کے واقعات اور وعدے

مالی سال جس سے یہ بیلنس شیٹ متعلقہ ہے کے اختتام اور ڈائریکٹرز رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت پر اثر انداز ہونے والی کوئی مادی تبدیلیاں وقوع پذیر اور وعدے نہیں کئے گئے ہیں۔

اظہار تشکر

ڈائریکٹرز کمپنی کے عملے اور کارکنوں کی کمپنی کے لئے لگن اور جان نثاری کو سراہتے ہیں۔ ڈائریکٹر حصص داران، بینکوں اور شریک تمام جماعتوں کی مسلسل دلچسپی اور حمایت کی تعریف کا اظہار کرنے میں خوشی محسوس کرتے ہیں اور امید رکھتے ہیں کہ مستقبل میں بھی یہی جذبہ غالب رہے گا۔

منجانب بورڈ

انجم محمد سلیم
چیف ایگزیکٹو آفیسر

علی الطاف سلیم
ڈائریکٹر

31 جنوری 2023 ء

کمپنی کی انتظامیہ نے کمپنی کے بھون یونٹ کو فروخت کرنے کی بنیاد پر ایک ٹرن اراؤنڈ منصوبہ بنایا ہے جس میں شوگر اور بائیو فیول ڈویژن شامل ہیں۔ 30 ستمبر 2022 تک فری ہولڈ اراضی، عمارت اور پلانٹ اور مشینری کی دوبارہ تخمینہ شدہ رقم 8.112 بلین روپے ہے۔ انتظامیہ کی طرف سے کمپنی کے پورے بھون یونٹ کے لیے قیمتوں کی دریافت بشمول متعلقہ لائسنس/حقوق جب مستقبل کے منصوبے میں بنائے جائیں تو اس کا نتیجہ کمپنی کے لیے قرض سے پاک کاروبار، اضافی فنڈز اور منافع میں ہوتا ہے۔ انتظامیہ نے مالی سال 30 ستمبر 2023 کے اختتام سے قبل ٹرن اراؤنڈ پلان کے رول آؤٹ کے لیے قرض دہندگان، ریگولیٹرز اور معزز عدالت سے مطلوبہ منظوری حاصل کرنے کا منصوبہ بنایا ہے۔

کمپنی نے اپنی پیداواری صلاحیت کو بہتر بنانے کے لیے موجودہ سال میں کچھ آپریشنل اقدامات کیے۔ سال کے دوران، کمپنی نے 1,347,651 میٹرک ٹن گنے کی کرشنگ کی ہے جس میں پچھلے سال کے 1,006,075 میٹرک ٹن گنے کے مقابلے میں تقریباً 34 فیصد اضافہ ہوا ہے اور موجودہ سیزن میں پچھلے سال 91,873MT کے مقابلے میں 126,112MT چینی پیدا کی گئی ہے جو کہ پچھلے سال کے مقابلے میں 37 فی صد کا اضافہ ہوا ہے۔ مزید برآں، کمپنی نے سال کے دوران 21,572,625 لیٹر ایتھانول کی پیداوار کی جس میں پچھلے سال کے 15,199,777 لیٹر کے مقابلے تقریباً 42% اضافہ ہوا ہے۔

کمپنی فالنگ فلم ایواپوریٹر کو انسٹال کرنے کے عمل میں ہے۔ فالنگ فلم کے ایواپوریٹر رابرٹ ٹائپ ایواپوریٹر کا متبادل ہیں اور یہ ایواپوریٹر کے اسٹیشن کی اصلاح اور پلانٹ کی توانائی کی کارکردگی کو بہتر بنانے میں مدد کرتے ہیں۔ بھاپ کا استعمال کا فیصد 9% تک کم ہو جائے گا۔ اس کے مطابق ریکوری کا تناسب بھی بڑھے گا۔

کمپنی لیکویڈیٹی پوزیشن کو بہتر بنانے کے لیے اپنی بہترین کوششوں کے لیے پرعزم ہے۔ کمپنی کے مالیاتی تخمینوں سے نقد رقم اور منافع میں بہتری دکھائی دیتی ہے۔ انتظامیہ سمجھتی ہے کہ اوپر بیان کیے گئے اقدامات کے نتیجے میں کمپنی کو مستقبل قریب کے لیے اپنے کاروبار کے تسلسل کو برقرار رکھنے کے لیے مناسب مالی وسائل کی دستیابی ہوگی اور اس طرح اس کی جاری رہنے کی صورتحال برقرار رہے گی۔ اس کے مطابق، یہ مالیاتی بیانات گوئنگ کنسرن مفروضہ پر تیار کیے گئے ہیں جو یہ فرض کرتے ہیں کہ کمپنی اپنے کاروبار کو جاری رکھے گی، اپنے اثاثوں کا احساس کرے گی، اور کاروبار کے معمول کے دوران اپنی ذمہ داریوں کو ادا کرے گی۔

مستقبل کا نقطہ نظر

گنے کی کرشنگ کا ایک اور چیلنجنگ سیزن بڑھی ہوئی امدادی قیمت 300 روپے فی 40 کلوگرام، جیسا کہ پنجاب حکومت نے مطلع کیا ہے، کے ساتھ شروع ہو گیا ہے۔ گنے کی کاشت کے ایریا میں کچھ بہتری کے ساتھ، آپ کی کمپنی نے چینی کی اچھی ریکوری فیصد کے ساتھ شروعات کی۔ پاکستان میں بدترین سیلاب کے باوجود، گنے کی فصل خطے میں سب سے کم متاثر ہونے والی فصلوں میں سے ایک رہی۔ موجودہ سیاسی منظر نامے اور مہنگائی کا دباؤ بھی کاروبار کو نمایاں طور پر متاثر کرسکتا ہے۔ کمپنی بہتر مارجن کے ساتھ معیاری گنے کی کرشنگ کر کے ریکوری بڑھانے کی پوری کوشش کرے گی۔ برآمد کی اجازت کے ساتھ، ہم گنے کی سپورٹ پرائس میں اضافے کے مقابلے میں برقرار مارجن کے لیے چینی کی قیمتوں میں کچھ اضافے کی توقع کرتے ہیں۔ ہمارے بائیو فیول کا کاروبار بھی اس بار مثبت انداز میں شروع ہوا ہے اور انتظامیہ اپنی برآمدات کو مزید بڑھانے کے لیے بڑی تعداد میں مولاسس کی خریداری کا منصوبہ بنا رہی ہے۔ یارن مارکیٹ کی مجموعی صورتحال اور ٹیکسٹائل کے کاروبار میں مشکل کاروباری ماحول کی وجہ سے ہمارے ٹیکسٹائل کے کاروبار شروع نہیں ہو سکے۔ کمپنی کی انتظامیہ جہاں بھی ممکن ہو کاروبار کے تسلسل کے لیے تمام ضروری اقدامات کر رہی ہے اور ہم بہتر مستقبل کے لیے پر امید ہیں۔

اظہار تشکر

ڈائریکٹرز کمپنی کے عملے اور کارکنوں کی کمپنی کے لیے لگن اور جان نثاری کو سراہتے ہیں۔ ڈائریکٹرز حصص داران، بینکوں اور شریک تمام جماعتوں کی مسلسل دلچسپی اور حمایت کی تعریف کا اظہار کرنے میں خوشی محسوس کرتے ہیں اور امید رکھتے ہیں کہ مستقبل میں بھی یہی جذبہ غالب رہے گا۔

منجانب بورڈ

Anjum M Saleem

انجم محمد سلیم

چیف ایگزیکٹو آفیسر

Ali Saleem

علی الطاف سلیم

ڈائریکٹر

31 جنوری 2023 ء

کی رپورٹ مالیاتی حسابات کے ہمراہ منسلک ہے۔ ڈائریکٹرز چیف ایگزیکٹو کے جائزہ اور اس سالانہ رپورٹ کے مواد کی تصدیق کرتے ہیں اور کمپنیز ایکٹ 2017ء کی دفعہ 227 کی شرائط اور مندرجہ کمپنیز (کوڈ آف کارپوریٹ گورننس) کے ضابطے 2017 کے مطابق ڈائریکٹرز رپورٹ کا لازمی حصہ بنے گا۔

ڈیویڈینڈ اور کیریڈ فارورڈ

ڈائریکٹرز نے 30 ستمبر 2022 کو ختم ہونے والے سال کے لئے ڈیویڈینڈ کی ادائیگی کی سفارش نہیں کی ہے۔ اس کے علاوہ کوئی رقم عام ریزرو یا کسی بھی دیگر ریزروفنڈز کا کاؤنٹ میں آگے نہیں بھیجی جا رہی ہے۔

بعد کے واقعات

مالی سال جس سے یہ بیلنس شیٹ متعلقہ ہے کے اختتام اور ڈائریکٹرز رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت پر اثر انداز ہونے والی کوئی مادی تبدیلیاں وقوع پذیر اور وعدے نہیں کئے گئے ہیں۔

ادائیگیوں، ڈیبٹ یا قرض میں نادہندگی

کمپنی واجب رقم کی بروقت واپسی کی اپنی ذمہ داری کو تسلیم کرتی ہے اور صنعت میں کامیابی حاصل کرنے والے بہترین طریقوں کی تعمیل کی جاتی ہے یہ بیان کیا گیا ہے کہ زیرِ جائزہ سال کے دوران کسی بھی قرض یا ڈیبٹ کی ادائیگی میں کوئی نادہندگی نہیں ہوئی سوائے اس کے جیسا کہ مالی بیانات میں ظاہر کیا گیا ہے۔۔

کاروبار کی نوعیت میں تبدیلی

کمپنی کے کاروبار کی نوعیت سے متعلق مالی سال کے دوران کوئی تبدیلی نہیں ہوئی ہے۔

متعلقہ پارٹی کے معاملات

آڈٹ کمیٹی کے جائزہ اور سفارش کے بعد تمام متعلقہ پارٹی لین دین کو بورڈ کی طرف سے منظور کیا گیا ہے۔ کمپنی نے اس سالانہ رپورٹ سے منسلکہ اپنے مالی حسابات میں متعلقہ پارٹی معاملات کے بارے میں تفصیلی وضاحت کی ہے۔ اس طرح کا وضاحت کمپنیز ایکٹ، 2017 کے چوتھے شیڈول اور قابل اطلاق بین الاقوامی مالیاتی رپورٹنگ معیارات کی ضروریات کے مطابق ہے۔

مالی جائزہ اور گوئنگ کنسرن مفروضہ

آڈیٹرز نے ایڈورس رائے دی ہے اور رپورٹ کیا ہے کہ لیکویڈیٹی کی صورتحال اس بات کی نشاندہی کرتی ہے کہ ایک اہم غیر یقینی صورتحال موجود ہے جو کمپنی کی گوئنگ کنسرن کے طور پر جاری رہنے کی صلاحیت پر اہم شکوک پیدا کر سکتی ہے۔

تاہم، کمپنی نے اپنے مالیاتی بیانات کمپنی کے ٹرن اراؤنڈ پلان کی بنیاد پر ایک گوئنگ کنسرن کے طور پر تیار کیے ہیں۔ ٹرن اراؤنڈ پلان کمپنی کی قانونی کونسلوں کے فراہم کردہ بیانات پر مبنی ہے کہ سماعت شروع ہونے کے بعد اسٹے آرڈرز کو خارج کر دیا جائے گا۔ کمپنی اپنی بھون اسٹیبلشمنٹ کو فروخت کرنے کا ارادہ رکھتی ہے اور اسے امید ہے کہ وہ اگلے مالی سال یعنی 23-2022 کے دوران اپنی ذمہ داریاں ادا کرنے کے قابل ہو جائے گی۔

پچھلے کچھ سالوں سے، کمپنی کو بڑے نقصانات اور بالآخر مالی بحران کا سامنا کرنا پڑا ہے۔ موجودہ سال میں کمپنی کی گنے کی کرشنگ میں گزشتہ سال کے مقابلے میں تقریباً 34 فیصد اضافہ ہوا لیکن گنے کی خریداری کی لاگت میں بھاری اضافہ 'جیسا کہ اوپر بتایا گیا ہے' نے نمایاں طور پر متاثر کیا۔ شوگر پلانٹس کی صلاحیت کا استعمال بہترین سطح پر نہیں تھا۔ ہماری بائیوفیول ڈویژن بھی چند سالوں سے مکمل طور پر کام نہیں کر رہی تھی۔ صورتحال کو مدنظر رکھتے ہوئے انتظامیہ صورتحال کو کم کرنے کے لیے درج ذیل اقدامات پر غور کر رہی ہے۔

کمپنی اپنی زرعی زمین کو فروخت کرنے کے امکانات کا جائزہ لے رہی ہے جس کی مارکیٹ ویلیو 755.547 ملین روپے سے زیادہ ہے۔ اس مقصد کے لیے 28 فروری 2022 کو ہونے والے کمپنی کے سالانہ اجلاس عام میں شیئر ہولڈرز کی منظوری لاہور ہائی کورٹ، لاہور اور سندھ ہائی کورٹ، کراچی کے مزید احکامات سے مشروط اور قرض دہندگان کے اعتراض کے بغیر حاصل کی گئی ہے۔ زمین کو فروخت کرنے کے ذریعے حاصل ہونے والی رقم کو کمپنی جھنگ میں ٹیکسٹائل اور شوگر ڈویژن کے پلانٹ اور مشینری کی اپ گریڈیشن کے لیے استعمال کرے گی۔

نان ایگزیکٹواور آزاد ڈائریکٹرز کا معاوضہ

بورڈ آف ڈائریکٹرز نے ایک "ڈائریکٹرز ریمنریشن پالیسی" کی منظوری دی ہے، منظور شدہ پالیسی کی اہم خصوصیات حسبِ ذیل ہیں:

- ✓ کوئی ڈائریکٹر اپنی خود کی ریمنریشن متعین نہیں کرے گا/ گی۔
- ✓ باقاعدہ پیڈ چیف ایگزیکٹو، سپانسرز اور یا فیملی ڈائریکٹرز اور کل وقتی کام کرنے والے ڈائریکٹرز کے علاوہ بورڈ اور اسکی کمیٹی کے اجلاسوں میں شرکت کے لئے ڈائریکٹر میٹنگ فیس کی رقم 20,000 روپے (بیس ہزار روپے صرف) یا بورڈ کی طرف سے وقتاً فوقتاً متعین کردہ کے مطابق ہوگی۔
- ✓ ڈائریکٹرز اجلاسوں میں شرکت کے لئے سفری، قیام اور دیگر اخراجات کے بشمول تمام مناسب اخراجات لینے کے بھی اہل ہوں گے۔

بورڈ آف ڈائریکٹرز اور اسکی کمیٹیوں کی کارکردگی کی تشخیص

ہیومن ریسورس اینڈ ریمنریشن کمیٹی نے انفرادی بورڈ یا کمیٹی ارکان کی طرف سے جو بھی صورت ہو خود تشخیصی کے قائم شدہ میکانزم پر مبنی بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی کارکردگی کا جائزہ لیا ہے۔ مندرجہ بالا میکانیزم بورڈ کی طرف سے ہیومن ریسورس اینڈ ریمنریشن کمیٹی کی سفارش پر منظور کیا گیا۔

سی ای او کی کارکردگی کی تشخیص

سال کے دوران بورڈ کی ہیومن ریسورس اینڈ ریمنریشن کمیٹی نے تشخیصی نظام پر مبنی قائم شدہ کارکردگی کے مطابق سی ای او کی کارکردگی کا تعین کیا۔ مندرجہ ذیل معیار پر تشخیصی جائزہ لیا گیا:

- ✓ **قیادت**
- ✓ **پالیسی اور حکمت عملی**
- ✓ **لوگوں کی مینجمنٹ**
- ✓ **بزنس پراسیس/ مہارت**
- ✓ **گورننس اور تعمیل**
- ✓ **مالیاتی کارکردگی**
- ✓ **معاشرہ پر اثرات**

اس کے بعد، کمیٹی کی سفارش پر جائزہ کے بعد بورڈ کی طرف سے تشخیص کی منظوری دی گئی۔

ترتیب حصص داری اور حصص کی تجارت

ترتیب حصص داری اور اضافی معلومات اس رپورٹ سے منسلک ہیں۔ ڈائریکٹرز، ایگزیکٹو اور ان کے زوج اور چھوٹے بچوں کی طرف سے کمپنی کے حصص میں کوئی تجارت نہیں کی گئی ہے۔

مالیاتی حسابات

پاکستان میں قابل اطلاق اکاؤنٹنگ اور رپورٹنگ معیارات کے تحت درکار اور کمپنیز ایکٹ، 2017 کی ضروریات (XIX of 2017) کے مطابق، انتظامیہ ایسے داخلی کنٹرول کے لئے مالی حسابات کی تیاری اور منصفانہ پریزنٹیشن کی اپنی ذمہ داری سے آگاہ ہے کیونکہ انتظامیہ کا تعین مالی حسابات کی تیاری کو مستحکم کرنے کے لئے ضروری ہے جس میں مواد غلطی سے پاک ہو، چاہے دھوکہ دہی یا غلطی کی وجہ سے ہو۔

چیف ایگزیکٹو آفیسر اور چیف فنانشل آفیسر نے مالیاتی حسابات اپنے دستخطوں کے ساتھ باقاعدہ توثیق شدہ بورڈ آف ڈائریکٹرز کے غور وخوض اور منظوری کے لئے پیش کئے ہیں اور بورڈ غور وخوض اور منظوری کے بعد مالی حسابات جاری اور ترسیل کرنے کے لئے دستخط کرنے کا مجاز ہے۔ کمپنی کے مالیاتی حسابات کمپنی کے آڈیٹرز، ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی طرف سے باقاعدہ نظر ثانی شدہ اور منظور شدہ ہیں اور ان

ہیں۔شکرگنج میں، ہمارے ملازمین کے لئے باقاعدگی سے صحت کی دیکھ بھال کی جاتی ہے۔اس کے علاوہ، ہم بہتر صحت کے انتظام اور بیماری کی روک تھام کے لئے ملازمین کی صحت کا ریکارڈ رکھتے ہیں۔ہم ایک وقف صحت کے معاون نظام پر بھی گہری توجہ دیتے ہیں اور اپنے ملازمین کی صحت اور حفاظت کو یقینی بنانے کے لئے خصوصی بیماری کی جانچ فراہم کرتے ہیں۔ہم نے شکرگنج میں واقعات اور حادثات کے لئے جامع ایمرجنسی پلان بھی جاری کیا ہے اور کمپنی کے لئے حفاظتی انتظام اور خطرے کی روک تھام کا نظام قائم کیا ہے۔ہم منصوبہ کو بہتر بنانے، ملازمین کی روک تھام اور خود کی مدد بارے شعور کو بڑھانے اور ہنگامی صورتحال کو سنبھالنے کے لئے ٹیم کی صلاحیت کو بہتر بنانے کے لئے باقاعدگی سے ایمرجنسی مشق منظّم کرتے ہیں۔

بورڈ آف ڈائریکٹرز اور اسکی کمیٹیاں

بورڈ آف ڈائریکٹرز آٹھ ارکان پر مشتمل ہے جس میں سات مرد ارکان اور ایک خاتون رکن شامل ہے۔ڈائریکٹرز میں سے ایک نے سال کے بعد میں استعفیٰ دے دیا اور بورڈ نے نئے ایگزیکٹو ڈائریکٹر کا تقرر کیا ہے۔ سال کے دوران بورڈ آف ڈائریکٹرز کے چھ (6) اجلاس، آڈٹ کمیٹی کے پانچ (5) اجلاس اور ہیومن ریسورس اینڈ ریمنریشن کمیٹی کا ایک (1) اجلاس منعقد ہوا۔ذیل میں ہر ایک ڈائریکٹر کی حاضری دی گئی ہے۔

کیٹگری	نام ڈائریکٹر	تعداد حاضری
آزاد ڈائریکٹرز	جناب شیخ عاصم رفیق	5
	محترمہ زہرا احسان سلیم	5
نان ایگزیکٹو ڈائریکٹرز	جناب خالد بشیر	5
	جناب میاں محمد انور	6
	جناب جاوید انجم	6
	آوٹ گوئنگ ڈائریکٹرز	
	جناب یاسر غفار (24 اکتوبر 2022 کو مستعفی ہوئے)	4
ایگزیکٹو ڈائریکٹرز	جناب انجم محمد سلیم (چیف ایگزیکٹو آفیسر)	6
	جناب علی الطاف سلیم (ڈپٹی چیف ایگزیکٹو آفیسر)	6
	جناب محمد پرویز اختر	0

بورڈ نے حسبِ ذیل ارکان پر مشتمل کمیٹیاں تشکیل دی ہیں:

نام کمیٹی	نام ارکان اور چیئرمین	تعداد حاضری
آڈٹ کمیٹی	جناب شیخ عاصم رفیق (چیئرمین)	5
	جناب خالد بشیر	4
	محترمہ زہرا احسان سلیم	4
	جناب جاوید انجم	5
ہیومن ریسورس اینڈ ریمنریشن کمیٹی	محترمہ زہرا احسان سلیم (چیئرپرسن)	1
	جناب میاں محمد انور	1
	جناب خالد بشیر	1
	جناب انجم محمد سلیم	1

بورڈ کی عارضی آسامیاں جب جب خالی ہوئیں، پوری کی گئیں۔

بورڈ آف ڈائریکٹرز کی طرف سے حد کے مطابق جائزہ لیا گیا، کمپنی کے تمام محکموں کے سربراہ "ایگزیکٹوز" تصور کئے جائیں گے۔

ڈلیور کرنے کیلئے مقامی کمیونٹیز کے ساتھ طویل مدتی تعلقات تعمیر کرنے میں مصروف ہمارے پروگرامز منصوبے جو براہِ راست مقامی ضروریات کو پورا کرتے ہیں میں وقت اور ذرائع کی سرمایہ کاری کے ذریعے مضبوط، محفوظ، صحت منداور تعلیم یافتہ کمیونٹیز کا قیام ہیں۔ ہمارا سوشل ایکشن پروگرام (شکر گنج فاؤنڈیشن کے تحت) "Sukh Char Programme" عنوان کے تحت ہماری وسیع کمیونٹی میں سماجی خدمات کی ورائٹی مہیا کرتا ہے۔ ان خدمات میں تعلیم، صحت کی حفاظت، فنون کی ترقی اور ہمارے ثقافتی ورثہ کی حفاظت شامل ہیں۔

ہمارا سکول کو اپنانے کا اقدام 35 مقامی گرلز اور بوائز سکولوں کو مدد فراہم کرتا ہے جس میں جہاں ضرورت ہو پینے کا صاف پانی، نیوٹریشن سپلیمنٹ، یونیفارمز، بنیادی ڈھانچہ کی بحالی اور اضافی سہولیات کی تعمیر شامل ہیں۔ اولالا فلیورڈ دودھ کی فراہمی ہماری باقاعدہ خصوصیت ہے اور دو سکولوں میں 232 طلباء کو اولالا فلیورڈ دودھ مستقل بنیادوں پر فراہم کیا جا چکا ہے۔ شکر گنج سٹیزنز فاؤنڈیشن کے ایجوکیشن پروگرام کو بھی مدد فراہم کرتی ہے۔ تعلیم کو بنیادی تعاون فراہم کرنے کے مقصد کے ساتھ ایک پبلک سروسز کے طور پر شکر گنج کے پریمسز میں ٹیچرز ٹریننگ انسٹیٹیوٹ قائم کیا گیا ہے۔

شکر گنج سکول کے بچوں کو خصوصی مراعات بھی دیتا ہے جس میں سکول کے امتحانات میں اعلیٰ نمبرز حاصل کرنے والوں کو اسکالرشپس اور انعامات، سکول کے بچوں کے لئے کھیلوں کے مقابلے اور سکول کے بچوں اور اساتذہ کیلئے انٹر سکول خوشخطی کے مقابلے شامل ہیں۔ ہمارے ہیلتھ کیئر کے اقدامات ہماری وسیع کمیونٹی کے دروزے پر بنیادی طبی سہولیات فراہم کرتے ہیں۔ ماہر ڈاکٹروں، پیرامیڈیکل سٹاف کی تین ٹیموں اور موبائل ڈسپنسریوں نے سال کے دوران 10,000 سے زائد مریضوں کا علاج کیا۔

ہم اسکول آف آرٹ اینڈ کیلی گرافی میں سٹرکچرڈ ٹریننگ پروگرام میں فنکارانہ مہارتوں کو بہتر بنانے میں مقامی ذہانت کو مدد فراہم کرتے ہیں۔ سکول میں شکر گنج کے زیرِ انتظام ان فنکاروں کے کام کی نمائش اور ثقافتی ورثہ کی ترقی کیلئے ایک ڈسپلے سنٹر بھی قائم کیا گیا ہے۔ سال 2022-2021 میں فیشن ڈیزائننگ اور فائن آرٹ بیچز میں کل 317 طلباء پاس آؤٹ ہوئے ہیں۔

صحت، حفاظت اور ماحول

جیسا کہ ہم ہمیشہ مثالی کارپوریٹ شہری بننے کا ارادہ رکھتے ہیں، صحت، حفاظت، اور ماحولیاتی خدشات ہمیشہ ہمارے اہم فوکل پوائنٹس ہیں۔ ہم اپنے ملازمین، ٹھیکیداروں اور زائرین کے لئے صحت مند، محفوظ اور صاف حالات فراہم کرنے کے لئے مصروف عمل ہیں۔ ایک اچھا کام کرنے والا ماحول فراہم کرنے میں حفاظت سے زیادہ کسی اور کو اعلیٰ ترجیح نہیں دی جاتی ہے اور ہم شدید چوٹ اور حادثے کے اوقات کو صفر درجہ تک کم کرنے کے لئے مسلسل کوشاں رہتے ہیں۔ شکر گنج ٹیم کے تقریباً نوسو بیالیس اراکین نے پاکستان ہلال احمر سوسائٹی- پنجاب اور ریسکیو 1122 کے تعاون سے ابتدائی طبی امداد میں پیشہ ورانہ تربیت اور سرٹیفکیٹ حاصل کرنے کے لئے منظم پروگرام میں حصہ لیا ہے۔ ممکنہ حادثات سے نمٹنے کے لئے حفاظتی اقدامات اور ٹریننگ اور بروقت ردِعمل کے طریقہ کار نے شدید زخم اور حادثات کو کم سے کم کیا۔

ماحولیاتی تحفظ کے معاملات کو ہمیشہ منافع کے خدشات سے زیادہ ترجیح دی جاتی ہے۔ شکر گنج اپنی تمام مصنوعات کو قابل تجدید فصلوں اور خام مال سے پیدا کرتی ہے اور ہمارے ماحول کو نقصان پہنچانے کی لاگت میں منافع بنانے میں یقین نہیں رکھتی ہے۔ ہم فعال طور پر اپنی کمیونٹی میں اور قومی سطح پر ماحولیاتی تحفظ کی سرگرمیوں کو فنڈ اور معاونت دیتے ہیں۔ بجلی کی بچت اور 'صفر' ضیاع کا مقصد ہماری اہم ماحول دوست پالیسیاں ہیں۔ ہماری پروڈکشن لائنوں میں چینی کی بائی مصنوعات کے استعمال نے فوسل فیولز کے استعمال اور فضلہ کو ضائع کرنے کے مسائل کو نمایاں طور پر کم کر دیا ہے۔ ہمارے پیداواری عمل میں ڈسٹلری سپینٹ واش قطعی ویسٹ مصنوعات ہے۔ اب اسے حیاتیاتی طریقہ سے بطور ایندھن بائیوگیس تیار کی جاتی ہے اور پانی آبپاشی کے لئے استعمال کیا جاتا ہے۔ اس کے علاوہ ہم زمین کے حیاتیاتی کیڑوں کے کنٹرول، نامیاتی زراعت کی تکنیک، اور تمام قدرتی غذائی اجزاء کی واپسی اور فروغ دینے کی حوصلہ افزائی کرتے ہیں جو کہ ملوں تک شوگر کین کی سپلائی سے لائے جاتے ہیں۔ ہم ورلڈ وائیڈ فنڈ فار نیچر- پاکستان کی سرگرمیوں کی بھرپور حمایت کرتے ہیں، پانی کے انتظام کے لیے باقاعدہ تربیتی اور تعلیمی پروگرام چلاتے ہیں اور ہر سال دو بار درخت لگانے کی مہم میں حصہ لیتے ہیں۔ HSE کا ہمارا نقطہ نظر ہمارے مشن زیرو ایجنڈا میں ظاہر ہوتا ہے جو صفر حادثات اور کام سے متعلق کمیوں کو نشانہ بناتا ہے۔ مشن زیرو ایجنڈا کو مؤثر طریقے سے نافذ کرنے کے لئے، ہم اپنے لوگوں کو اپنے حصہ کا کردار ادا کرنے کے لئے بااختیار بناتے اور حوصلہ افزائی کرتے ہیں۔ ہم سب کو اپنے کام کی جگہوں کو محفوظ رکھنے میں اپنے حصہ کا کردار ادا کرنا چاہئے۔ سب سے زیادہ مؤثر طریقوں میں سے ایک جو ہم کر سکتے ہیں اپنے اردگرد کے خطرات کے بارے میں آگاہ رہنا اور ان سے نمٹنے کے لئے کارروائی کرنا ہے۔ لہٰذا ہم اپنے تمام لوگوں کی فعال طور پر ان کے کام کے ماحول کا باقاعدگی سے جائزہ لینے اور کسی بھی شناختی خطرات کی اطلاع دینے کے لئے سرگرمی کی حوصلہ افزائی کرتے ہیں۔ اس کے نتیجے میں، ہم نے بغیر لوسٹ ٹائم انجری کے 7.5 ملین سیف ورکنگ مین گھنٹے حاصل کیے ہیں۔

ایک محفوظ اور صحت مند کام کے ماحول کو یقینی بنانے کے لیے، کمپنی اپنی صحت اور حفاظت کے طریقوں کو وبائی مرض کی ڈیویلپمنٹ کے مطابق ڈھال رہی ہے۔ کمپنی کے احاطے کے اندر سخت چیکنگ کو یقینی بنایا گیا ہے اور اقدامات میں عملے کی درجہ بندی بھی شامل ہے جو بلاتعطل کارروائیوں کے لیے دفتر میں موجود ہونا ضروری ہے، جبکہ دوسرے عملے کو جہاں بھی ضرورت ہو گھر سے کام پر منتقل کر دیا جاتا ہے۔ تکنیکی ترقیات نے کم سے کم جسمانی تعامل کو مجازی میٹنگز میں تبدیل کر کے ممکن بنایا ہے۔

شکر گنج ماحولیات، آلودگی کی روک تھام، اور قابل اطلاق قانونی اور دیگر ضروریات کی تعمیل کی طرح، اپنے ملازمین کو ان کے فرائض انجام دینے کے لئے ایک صحت منداور محفوظ کام کی جگہ فراہم کرنے کے لئے پرعزم ہے۔ ہم اپنے ملازمین کی جسمانی اور ذہنی صحت کی حفاظت، پیشہ ورانہ صحت کی خدمات کے سکوپ اور کوریج کو بڑھانے اور مسلسل اپنے پیشہ ورانہ صحت کے انتظام کے نظام کو بہتر بنانے کے لئے پُرعزم رہتے

کمپنی بہتر کارکردگی کے حصول اور اپنے لیکویڈیٹی منظر نامے کو بہتر بنانے کے لیے اپنی بہترین کوششوں کے لیے پرعزم ہے۔ لیکویڈیٹی کی کمی پر قابو پانے کے لیے مختلف اقدامات کیے جا رہے تھے جیسا کہ نوٹ 1.3 میں اس کے ساتھ منسلک مالی بیانات کی تفصیلات دی گئی ہیں کیونکہ کارکردگی اور تاثیر کے ذریعے کمپنی کی پیداوار اور منافع کو بہتر بنانے، پیداواری لاگت کو کم کرنے کے لیے تمام تر کوششیں کی جا رہی تھیں۔ انتظامیہ سمجھتی ہے کہ بیان کردہ اقدامات کے نتیجے میں کمپنی کو مستقبل قریب کے لیے اپنے کاروبار کے تسلسل کو برقرار رکھنے کے لیے مناسب مالی وسائل کی دستیابی ہوگی اور اس طرح اس کی جاری رہنے کی صورتحال برقرار رہے گی۔

بنیادی خطرات اور غیر یقینی صورتحال کا مقابلہ

کمپنی کو درپیش بنیادی خطرات اور غیر یقینی صورتحال حسبِ ذیل ہیں۔

- ✓ چینی کی قیمت فروخت کے مقابلے گنے کی زیادہ قیمت خرید۔
- ✓ تیار پراڈکٹس پر بھاری ٹیکسز، سیلز ٹیکس ریٹس۔
- ✓ آبپاشی کے لیے پانی کی کمی، فصل کی فی ایکڑ پیداوار میں کمی اور کم صلاحیتی استعمالات۔
- ✓ نقصان دہ سیاسی دلچسپیاں
- ✓ زراعت پر مبنی صنعت، قدرتی آفات کے حالات کے اصل خطرات۔
- ✓ پیداوار اور لیبر کی لاگت میں اضافہ۔
- ✓ آپریشنل اخراجات میں مجموعی افراطِ زر میں اضافہ۔
- ✓ ماحولیاتی تعلقات اور شوگر فری مصنوعات۔
- ✓ روپے کی قدر میں مزید کمی لاگت میں اضافہ پر منتج ہوگی۔

جامع داخلی کنٹرول

کمپنی کے داخلی کنٹرول کا نظام ڈیزائن میں مستحکم ہے اور اسے مؤثر طریقے سے لاگو اور نگرانی کی جاتی ہے۔ بورڈ آف ڈائریکٹرز داخلی کنٹرولز کے ماحول کی بابت اپنی ذمہ داریوں سے آگاہ ہے اور اس کے مطابق آپریشنز کی مؤثر گی کو یقینی بنانے، کمپنی کے اثاثوں کی حفاظت، قابل اطلاق قوانین وضوابط کی تعمیل اور قابل اعتماد مالی رپورٹنگ کیلئے داخلی مالیاتی کنٹرولز کا مؤثر نظام قائم کیا ہے۔ آؤٹ سورس خودمختار انٹرنل آڈٹ فنکشن کام کر رہا ہے اور ایسا فنکشن مالیاتی کنٹرولز کے اطلاق کی باقاعدگی سے تشخیص اور نگرانی کرتا ہے۔ بورڈ کی آڈٹ کمیٹی، سہ ماہی بنیاد پر باقاعدگی سے داخلی کنٹرول فریم ورک اور مالیاتی حسابات کی مؤثر گی کا جائزہ لیتی ہے۔

آڈیٹرز

آڈیٹرز ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو جائیں گے اور انھوں نے دوبارہ تقرری کے لیے خود کو پیش نہیں کیا ہے۔ ہم ان کی خدمات کے لیے اپنا مخلصانہ شکریہ اور تعریف کرتے ہیں۔ بورڈ نے آڈٹ کمیٹی کی سفارش پر آئندہ سالانہ جنرل میٹنگ میں ممبران کے غور کے لیے ایچ ایل بی اعجاز تبسم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کی تقرری کی سفارش کی ہے۔

کارپوریٹ سماجی ذمہ داری

ہم کمیونٹیز، جس میں کاروبار کرتے ہیں، میں فعال طور پر حصہ لینے اور ماحول کو بہتر بنانے کے مواقع تلاش کرتے ہیں۔ بنیادی توجہ کے ہمارے شعبے تعلیم، صحت اور حفاظت، توانائی کی بچت، فضلہ کی کمی اور کمیونٹیز کی تعمیر ہیں۔ سال کے دوران شکر گنج نے ان سرگرمیوں میں 14.51 ملین روپے کا حصہ شامل کیا۔ کارپوریٹ کمیونٹی کا ایک ذمہ دار رکن ہونے کی حیثیت سے، شکر گنج نے ہمیشہ ٹیکسز اور دیگر حکومتی لیویز کی مد میں قومی معیشت میں کافی حصہ شامل کیا ہے۔ کمپنی کا وفاقی، صوبائی اور ملکی ٹیکسز کا حصہ زیرِ جائزہ سال کے دوران 1,750 ملین روپے سے زائد تھا۔

شکر گنج میں، کارپوریٹ سماجی ذمہ داری (سی ایس آر) ایک بنیادی اسٹریٹجک مینجمنٹ چلاتی ہے جو ہمارے کاروبار، ماحول اور سٹیئرزن شپ کو اس انداز سے قائم کرتی ہے جو ہمارے وژن کو مدد دیتی ہے اور ہماری اقدار کو برقرار رکھتی ہے۔ ہمارا مقصد کمیونٹیز جس میں ہم کاروبار کرتے ہیں میں ایک مثبت کردار ادا کرنا ہے۔ ہماری کمیونٹی انوالومنٹ پالیسی ہمارے اخلاقی رویہ کے بنیادی عناصر میں سے ایک ہے۔ ہمارا مشترکہ مقصد

ڈائریکٹرز کی رپورٹ

محترم شکر گنج حصص داران:

شکر گنج لمیٹڈ(" کمپنی") کے ڈائریکٹرز 30 ستمبر 2022ء کو ختم ہونے والے سال کے لئے اپنی رپورٹ معہ کمپنی کے نظر ثانی شدہ مالیاتی حسابات بخوشی پیش کر رہے ہیں۔

کمپنی کے معاملات کی حالت اور اس کے کاروبار کا جائزہ

کمپنی پاکستان میں قائم ہوئی اور پاکستان سٹاک ایکسچینج پر مندرج ہے۔ یہ بنیادی طور پر چینی ، بائیو فیول ، یارن (ٹیکسٹائل) کی تیاری، خریداری اور فروخت کے کاروبار میں مشغول ہے۔کمپنی کی بنیادی مینوفیکچرنگ سہولیات جھنگ اور سیٹلائٹ مینوفیکچرنگ سہولیات بھون میں واقع ہیں۔

مالیاتی نتائج:

کمپنی کے مالیاتی نتائج کا خلاصہ حسبِ ذیل ہے:

روپے ہزاروں میں

	2022	2021
آمدن	12,325,570	9,161,763
مجموعی منافع / (نقصان)	370,713	(590,166)
آپریشنز سے نقصان	(66,036)	(954,369)
ایکوئٹی سے نفع/نقصان کا حصہ بلحاظ سرمایہ کاری	64,196	65,128
قبل از ٹیکس نقصان	(338,138)	(1,164,266)
ٹیکسیشن	112,836	(223,644)
بعد از ٹیکس نقصان	(225,302)	(1,387,910)
نقصان فی شیئر- بنیادی اور معتدل (روپے)	(1.80)	(11.10)

کمپنی کے کاروبار کا جائزہ

کمپنی کے لیے نسبتاً بہتر سیزن، جس میں شکر گنج اپنی کرشنگ میں نمایاں اضافہ کرنے میں کامیاب رہا۔زیر جائزہ سال کے دوران پچھلے سال 1,006,075MT گنے کے مقابلے میں کمپنی 1,347,651MT گنا کرش کرنے کے قابل رہی۔شوگر ریکوری میں اضافہ کے ساتھ چینی کی پیداوار میں پچھلے سال کے مقابلے میں 37 فیصد اضافہ ہوا۔ملوں کو گنے کی نوٹیفائیڈ سپورٹ پرائس کے مقابلے کافی زیادہ قیمتوں پر گنے کی خریداری پر مجبور کیا گیا جس کے نتیجے میں ملوں میں سخت مقابلہ ہوا۔کاشتکار صوبائی حکومت کے مقرر کردہ نرخ پر گنے کی فروخت پر آمادہ نہیں تھے اور مڈل مین آزادانہ طور پر گنے کا سودا کر رہے تھے اور زیادہ قیمتیں حاصل کرنے کے لیے گنے کی قلت پیدا کر دی گئی اور گنے کی عدم دستیابی نے گنے کی قیمتوں میں اضافہ کر دیا جس کے نتیجے میں لاگت میں اضافہ ہوا۔گنے کی اوسط قیمت پچھلے سال 251 فی 40 کلوگرام کے مقابلے میں 255 فی 40 کلوگرام روپے تک بڑھ گئی۔

ڈسٹلری کے کاموں کے لیے بہتر سال، جیسا کہ بہتر کرشنگ اور اس کے اپنے مولاسس کی دستیابی کے ساتھ، پیداوار میں پچھلے سال کے مقابلے میں 41 فیصد سے زیادہ اضافہ ہوا۔مولاسس کی خریداری کی گئی لیکن مالی حدود کی وجہ سے بڑے پیمانے پر نہیں کی گئی۔پچھلے دو سالوں میں چینی اور بائیو فیول کے بنیادی ایریاز میں خام مال کی قیمتوں میں مسلسل اضافہ ہوا ہے۔

کمپنی کو درپیش مالی چیلنجوں کے باوجود، کمپنی کی انتظامیہ نے اچھی کارکردگی کا مظاہرہ کیا۔کمپنی نے پچھلے سال کے مجموعی نقصان 590.17 ملین روپے کے مقابلے میں اس سال کے دوران 370.71 ملین روپے مجموعی منافع کمایا۔اس سال کے لیے 66.04 ملین روپے آپریشنز سے نقصان تھا اور ٹیکس کے بعد خالص نقصان 225.30 ملین روپے تھا۔کمپنی نے شکر گنج فوڈ پراڈکٹس لمیٹڈ میں اپنی ایکویٹی اکاؤنٹڈ انویسٹمنٹ میں پچھلے سال 65.13 ملین روپے کے مقابلے میں 64.20 ملین روپے منافع کمایا۔

10۔ **سی ای او کی کارکردگی کا جائزہ:** بورڈ منصفانہ اور منظّم طریقے سے سی ای او کی کارکردگی کی تشخیص کرتا ہے اور اس بات کو یقینی بناتا ہے کہ سی ای او کی تنخواہ کمپنی کی کارکردگی، حصص داران کے مفادات اور کمپنی کی طویل مدتی کامیابی سے موزوں طور منسلک ہے۔

11۔ **بورڈ کی ساخت اور متحرکات:** بورڈ کا سائز اور ساخت بورڈ کے طریقہ کار کو کنٹرول کرنے کے لئے کافی ہے اور اراکین بورڈ کے کام میں فعال طور پر مصروف ہیں۔ بورڈ اپنی ذمہ داریوں کی ادائیگی کے لئے کافی ضروریات کو پورا کرتا ہے۔

مجموعی طور پر، میں سمجھتا ہوں کہ سخت معاشی صورتحال کے باوجود اگلے تین سالوں کے لئے کمپنی کی اسٹریٹجک سمت واضح اور مناسب ہے۔ مزید یہ کہ مجموعی کارپوریٹ حکمت عملی تیار کرنے اور اس کے جائزہ لینے میں اپنائے جانے والے عمل اور کمپنی کے مقاصد کی تکمیل جامع ہے۔ یہاں میں انتظامیہ اور اپنے لوگوں کو ان کے عزم، استقامت اور آزمائش کی اس گھڑی میں انتھک تعاون کے لیے بھی تسلیم کرنا چاہوں گا، وہ گزشتہ چند سالوں کی مشکلات کے باوجود ہمارے ساتھ ثابت قدم رہے اور ڈیلیور کرتے رہے۔

میں مسلسل تعاون کے لیے تمام اسٹیک ہولڈرز کا شکریہ ادا کرنا چاہوں گا، اور مجھے امید ہے کہ کمپنی کی آپ کی سرپرستی آنے والے سالوں میں بھی جاری رہے گی۔

میاں محمد انور

چیئرمین

31 جنوری 2023ء

چیئرمین کی جائزہ رپورٹ

مجھے شکر گنج لمیٹڈ کے حصص داروں کے سامنے بورڈ کی مجموعی کارکردگی اور کمپنی کے اغراض ومقاصد کے حصول میں اس کے کردار کی تاثیر کی یہ رپورٹ پیش کرتے ہوئے بے حد خوشی ہو رہی ہے۔

شکر گنج نے کاروباری معاملات کا ایک مؤثر اور محتاط انتظامات کا حمایتی مضبوط گورننس فریم ورک لاگو کیا ہے جو کمپنی کی طویل مدتی کامیابی حاصل کرنے میں اہم کردار ادا کرتا ہے۔

سال کے دوران بورڈ کمیٹیوں نے بڑی صلاحیت کے ساتھ کام جاری رکھا۔ آڈٹ کمیٹی نے خاص طور پر کاروبار سے منسلک خطرات کے انتظام اور کنٹرول پر توجہ مرکوز رکھی ہے۔ ساتھ ہی ساتھ، ہیومین ریسورس اور ریمنریشن کمیٹی نے اس بات کو یقینی بنایا ہے کہ کارکردگی کے انتظامات، ایچ آر عملے، معاوضہ اور فوائد کے بارے میں ایچ آر کی پالیسیاں مارکیٹ کے مقابلہ کی ہیں اور صرف کمپنی کی کارکردگی اور حصص داران کے مفادات کے ساتھ نہیں بلکہ کمپنی کی طویل مدتی کامیابی سے بھی موزوں طور پر منسلک ہیں۔

بورڈ نے مجموعی طور پر سالانہ رپورٹ اور مالی حسابات کا جائزہ لیا ہے، اور خوشی سے اس بات کی تصدیق کی ہے کہ مجموعی طور پر لی گئی ان کی جائزہ رپورٹ اور مالی حسابات، منصفانہ، متوازن اور قابل فہم ہیں۔

بورڈ خود تشخیصی کی بنیاد پر، مالی سال کے اختتام کے بعد ہر سال اپنی مؤثر گی اور کارکردگی کا جائزہ لیتا ہے۔ اس طرح کا گذشتہ جائزہ مالی سال 2022 کے لئے جنوری 2023 میں لیا گیا تھا۔ بورڈ کی مجموعی طور پر مؤثر گی اطمینان بخش تھی۔ شعبے جن میں بہتری کی ضرورت ہے ان پر مناسب طریقے سے غور و خوض کیا گیا ہے اور موزوں کارروائی کے منصوبے تیار کئے گئے ہیں۔

مجموعی تشخیص مندرجہ ذیل لازمی اجزاء کی تشخیص پر مبنی تھی:

1۔ **نقطہ نظر، مشن اور اقدار:** بورڈ کے اراکین موجودہ نقطہ نظر، مشن اور اقدار سے واقف ہیں اور تنظیم کے لئے انہیں موزوں پاتے ہیں۔

2۔ **اسٹریٹجک منصوبہ بندی میں مصروفیت:** بورڈ حصص داروں کو بخوبی سمجھتا ہے جن کو تنظیم خدمات فراہم کرتی ہے یعنی اپنے حصص داران، صارفین، ملازمین، وینڈرز، معاشرہ وغیرہ۔ بورڈ کا اسٹریٹجک نقطہ نظر ہے کہ اگلے تین سے پانچ سالوں میں تنظیم کو کس طرح تیار رہنا چاہئے اور اس کی ترقی کو ٹریک کرنے کے لئے اہم اشاروں کی نشاندہی کی ہے۔

3۔ **پالیسیوں کی تشکیل:** بورڈ نے ایسی پالیسیاں تشکیل دی ہیں جو بورڈ کی ذمہ داری اور کمپنی کے آپریشنز کے تمام ضروری شعبوں کا احاطہ کرتی ہیں۔

4۔ **تنظیم کی کاروباری سرگرمیوں کی نگرانی:** بورڈ تنظیم کی موجودہ کاروباری سرگرمیوں بشمول ہر ایک اہم سرگرمی کی مضبوطی اور کمزوری کے بارے بخوبی واقف ہے اور سرگرمی/شعبہ وار کارکردگی کی نگرانی کے لئے ایک مؤثر طریقہ کار رکھتا ہے۔

5۔ **مالی وسائل کے انتظام کی مہارت:** بورڈ کمپنی کے مالی وسائل کے انتظامات سے متعلق اہم پہلوؤں کے بارے میں جانتا ہے اور بروقت بنیاد پر مناسب سمت اور نگرانی فراہم کرتا ہے۔

6۔ **مؤثر مالی نگرانی کی فراہمی:** بورڈ یقینی بناتا ہے کہ بجٹ سالانہ اسٹریٹجک منصوبہ میں قائم ترجیحات کی عکاسی کرتا ہے اور یہ اکاؤنٹس کے آڈٹ یا آزاد آزمائشی پر قابو پانے والے قواعد و ضوابط پر عمل کرتا ہے اور آزاد آڈیٹر کی رپورٹ اور مینجمنٹ لیٹر میں تمام سفارشات پر غور کرتا ہے۔

7۔ **ایک ذمہ دار آجر کا کردار ادا کرنا:** بورڈ نے ضروری پالیسیاں تشکیل دی ہیں جو اس بات کو یقینی بناتی ہیں کہ تنظیم عملے، ٹھیکیداروں، وینڈرز اور اس کی جانب سے کام کرنے والے کسی دوسرے فرد کی طرف مناسب اور قانونی طریقے کا سلوک روا رکھتی ہے۔

8۔ **بورڈ اور عملہ کے درمیان تعلقات:** بورڈ اور انتظامی عملے کے کردار اور ذمہ داریوں کی واضح طور پر وضاحت، فہم، باہمی اعتماد کا ماحول اور بورڈ اور انتظامیہ کے درمیان احترام موجود ہے۔

9۔ **تنظیم کے بارے عوامی تصور:** بورڈ کے ارکان کمیونٹی میں تنظیم کے مثبت تصور کو فروغ دیتے ہیں۔

FORM OF PROXY

I/We ____, being member(s) of Shakarganj Limited and holder of ___________________ Shares as per Folio No.__________/CDC Participation ID # ______________ and Sub Account # ______________ /CDC Investor Account ID #______________do hereby appoint ____________________________________ of _____________________________ having Folio No.________CDC Participation ID # __________ and Sub Account # _________/CDC Investor Account ID #______________as my/our proxy to attend, speak and vote for me/us and on my/our behalf at the Annual General Meeting of Shakarganj Limited scheduled to be held on Monday, 27 February 2023 at 11:00 a.m at the Executive Floor, IT Tower, 73 E 1, Hali Road, Gulberg III, Lahore and through video-link to transact the following Ordinary Business:

As witness my / our hand this __________________________ day of __________________________ 2023.

1. Name ______________________________________

C.N.I.C ______________________________________

Address _____________________________________

____

Please affix here Revenue Stamp of Rs. 50/-

2. Name ______________________________________

C.N.I.C ______________________________________

Address _____________________________________

____

Notes:

1. A member entitled to attend and vote at a General Meeting is entitled to appoint a proxy.
2. The instrument appointing a Proxy together with the Power of Attorney, if any, under which it is signed or a notarially certified copy thereof, should be deposited at the Share Registrar Office of the Company, CorpTec Associates (Private) Limited, 503-E, Johar Town, Lahore, not less than 48 hours before the time of holding the Meeting.
3. CDC account holders will further have to follow the under mentioned guidelines as laid down in circular# 1 dated January 26, 2000 of the Securities and Exchange Commission of Pakistan for appointing Proxies:

   i) In case of individuals, the account holder or sub-account holder whose securities and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.

   ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

   iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

   iv) The proxy shall produce his original CNIC or original passport at the time of the meeting.

   v) In case of a corporate entity, the Board of Directors' resolution/Power of attorney with specimen signatures of the proxy holder shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.

مختار نامہ

میں / ہم ________________ کا / کے ________________

بحیثیت رکن شکر گنج لمیٹڈ اور حامل عام حصص، بمطابق شیئر رجسٹر فولیو نمبر ________________ اور / یا سی ڈی سی

پارٹیسپنٹ (شرکت) آئی ڈی نمبر ________________ اور سب اکاؤنٹ (ذیلی کھاتہ) نمبر ________________

محترم / محترمہ ________________ کو اپنے / ہمارے ایماء پر ________________ مورخہ 27 فروری 2023 ء بروز سوموار

ایگزیکٹو فلور، آئی ٹی ٹاور، 73 E 1، حالی روڈ، گلبرگ III، لاہور پر اور ویڈیو لنک کے ذریعے ________________ منعقد ہونے والے کمپنی کے سالانہ اجلاس عام

میں حق رائے دہی استعمال کرنے یا کسی بھی التواء کی صورت اپنا / ہمارا بطور مختار (پراکسی) مقرر کرتا ہوں / کرتے ہیں۔

آج بروز ________________ بتاریخ ________________ 2023 ء کو دستخط کئے گئے۔

گواہان:

1- دستخط: ________________

نام: ________________

پتہ: ________________

____

کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر:

____

2- دستخط: ________________

نام: ________________

پتہ: ________________

____

کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر:

____

پچاس روپے مالیت کے رسیدی ٹکٹ پر دستخط

دستخط کمپنی کے نمونہ دستخط سے مماثل ہونے چاہئیں

نوٹ:

1- ایک ممبر (رکن) جو اجلاس میں شرکت اور ووٹ دینے کا مجاز ہو اپنی جگہ کسی کو بطور نائب شرکت کرنے اور ووٹ دینے کا حق تفویض کر سکتا ہے۔

2- ایک ممبر (رکن) جو اجلاس میں شرکت نہیں کر سکتا، وہ اس فارم کو مکمل کرے اور دستخط کرنے کے بعد اجلاس شروع ہونے سے کم از کم 48 گھنٹے قبل لاہور کے پتے پر ارسال کرے۔

3- سی ڈی سی شیئر ہولڈر ہونے کی صورت میں درج بالا کے علاوہ ذیل میں درج ہدایات پر بھی عمل کرنا ہوگا:

(الف) فرد ہونے کی صورت میں اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر اور / یا وہ جس کی سکیورٹیز گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن کی تفصیلات قواعد و ضوابط کے مطابق اپ لوڈ ہوں انہیں کمپنی کی جانب سے دی گئی ہدایات کی روشنی میں پراکسی فارم جمع کرانا ہوگا۔

(ب) مختار نامے پر بطور گواہان دو افراد کے دستخط ہونے چاہئیں اور ان کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبرز فارم پر درج ہوں۔

(ج) بینیفیشل اونرز (مستفید ہونے والے فرد) کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول بھی منسلک کرنی ہوں گی جسے نائب مختار نامے کے ہمراہ پیش کرے گا۔

(د) اجلاس کے وقت نائب کو اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔

(ہ) کارپوریٹ ادارہ ہونے کی صورت میں بحیثیت ممبر (رکن) بورڈ آف ڈائریکٹرز کی قرارداد / مع نامزد کردہ شخص / نائب کے نمونہ دستخط / پاور آف اٹارنی (اگر پہلے فراہم نہ کئے گئے ہوں) پراکسی فارم (مختار نامے) کے ہمراہ کمپنی میں جمع کرانا ہوگا۔

CONSENT FORM FOR ELECTRONIC TRANSMISSION OF ANNUAL REPORT AND NOTICE OF AGM

M/s Corptec Associates (Private) Limited
503-E Johar Town, Lahore
Email: info@corptec.com.pk

SUBJECT: CONSENT FORM FOR ELECTRONIC TRANSMISSION OF ANNUAL REPORT AND NOTICE OF AGM

Dear Sirs,

I/we, being the shareholder(s) of Shakarganj Limited ("Company"), do hereby consent and authorize the Company for electronic transmission of the Audited Annual Financial Statements of the Company along with Notice of Annual General Meeting via the Email provided herein below and further undertake to promptly notify the Company of any change in my Email address.

I understand that the transmission of Annual Audited Financial Statements of the Company along with Notice of Annual General Meeting via the Email shall meet the requirements as mentioned under the provisions of Companies Act, 2017.

1. Name of Shareholder(s) : ______________________________

____

2. Fathers / Husband Name:______________________________

____

3. CNIC: ______________________________

____

4. NTN: ______________________________

____

5. Participant ID / Folio No: ______________________________

____

6. E-mail address: ______________________________

____

7. Telephone: ______________________________

____

8. Mailing address:______________________________

____

Date: ______________________

Signature:
(In case of corporate shareholders,
the authorized signatory must sign)

سالانہ رپورٹ اور اے جی ایم نوٹس کی
الیکٹرانک ٹرانسمیشن کی اجازت کا فارم

میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ

503-E، جوہر ٹاؤن، لاہور

ای میل info@corptec.com.pk

عنوان: سالانہ رپورٹ اور اے جی ایم نوٹس کی الیکٹرانک ٹرانسمیشن کی اجازت کا فارم

جنابِ عالی:

میں/ہم بذریعہ ہذا شکر گنج لمیٹڈ (''کمپنی'') کا/کے شیئر ہولڈر (ہولڈرز) ہونے کے ناطے کمپنی کے آڈٹ شدہ مالیاتی اسٹیٹمنٹس بمع سالانہ اجلاسِ عام کے نوٹس کی، ذیل میں دیئے گئے ای میل کے ذریعے الیکٹرانک ٹرانسمیشن کی اجازت اور اختیار دیتا ہوں/دیتے ہیں اور اپنے ای میل ایڈریس میں کسی تبدیلی کی کمپنی کو فوری طور پر اطلاع دینے کا وعدہ کرتا ہوں/کرتے ہیں۔

میں سمجھتا ہوں کہ کمپنی کے آڈٹ شدہ مالیاتی اسٹیٹمنٹس بمع سالانہ اجلاسِ عام کے نوٹس کی ای میل کے ذریعے ٹرانسمیشن سے ان تقاضوں کی تکمیل ہو گی جن کا کمپنیز ایکٹ، 2017ء کی دفعات کے تحت ذکر کیا گیا ہے۔

1۔ شیئر ہولڈر (ہولڈرز) کا نام..

2۔ والد/شوہر کا نام..

3۔ سی این آئی سی..

4۔ این ٹی این..

5۔ پارٹیسپنٹ آئی ڈی/فولیو نمبر..

6۔ ای میل ایڈریس..

7۔ فون نمبر:..

8۔ میلنگ ایڈریس:..

....

دستخط

(کارپوریٹ شیئر ہولڈرز کی صورت میں،
مجاز دستخط کنندہ لازمی دستخط کرے)

تاریخ:..

STANDARD REQUEST FORM FOR HARD COPIES OF ANNUAL AUDITED ACCOUNTS

1. Name of member: ____

____

2. CNIC No/Passport No: ____

____

3. Folio/CDC Participant ID/ Sub a/c/Investor a/c: ______________________________

____

4. Registered Address: ____

____

____

I/We hereby request you to provide me/us a hard copy of the Annual Report of Shakarganj Limited for the year ended September 30, ______at my above mentioned registered address instead of CD/DVD/USB. I undertake to intimate any change in the above information through revised Standard Request Form.

Date: Member's Signature:

Note:
This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary
Shakarganj Limited
E-Floor, IT Tower, 73/E-1, Hali Road, Lahore
Email: asif.malik@shakarganj.pk

Chief Executive,
M/s Corptec Associates (Private) Limited
Independent Share Registrar of Shakarganj Limited
503-E, Johar Town, Lahore
Email: info@corptec.com.pk

In case a member prefers to receive hard copies for all the future annual audited accounts, then such preference shall be communicated to the company in writing.

معیاری درخواست فارم برائے سالانہ آڈٹ شدہ حسابات کی ہارڈ کاپیز

ممبر کا نام:..

سی این آئی سی نمبر/ پاسپورٹ نمبر...

فولیو/سی ڈی سی پارٹیسپنٹ آئی ڈی/ سب a/c انویسٹر a/c ....

رجسٹرڈ ایڈریس:..

میں/ ہم آپ سے درخواست کرتا ہوں/ کرتے ہیں کہ مجھے/ ہمیں شکر گنج لمیٹڈ کے 30 ستمبر .... کو ختم ہونے والے سال کی سالانہ رپورٹ کی ہارڈ کاپی، سی ڈی/ ڈی وی ڈی/ یو ایس بی کے بجائے میرے مذکورہ بالا رجسٹرڈ پتے پر فراہم کی جائے۔ میں وعدہ کرتا ہوں کہ میں مذکورہ بالا معلومات میں کسی تبدیلی کی اطلاع نظر ثانی شدہ معیاری درخواست فارم کے ذریعے دوں گا/ دیں گے۔

تاریخ...

....

ممبر کے دستخط

نوٹ: یہ معیاری درخواست فارم کمپنی سیکرٹری یا کمپنی کے انڈیپنڈنٹ شیئر رجسٹرار، کسی کے بھی درج ذیل پتے پر بھیجا جا سکتا ہے۔

کمپنی سیکرٹری

شکر گنج لمیٹڈ

E فلور، آئی ٹی ٹاور، 1 E 73، حالی روڈ، لاہور

ای میل: asif.malik@shakarganj.pk

چیف ایگزیکٹو

میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ

انڈیپنڈنٹ شیئر رجسٹرار آف شکر گنج لمیٹڈ

E-503، جوہر ٹاؤن، لاہور

ای میل: info@corpetc.com.pk

اگر کوئی ممبر مستقبل کے تمام سالانہ آڈٹ شدہ حسابات کی ہارڈ کاپیوں کی وصولی کو ترجیح دیتا ہے تو اس ترجیح کے بارے میں کمپنی کو تحریری طور پر مطلع کیا جائے۔

E-DIVIDEND FORM (DIVIDEND PAYMENT THROUGH ELECTRONIC MODE)

The Company Secretary/Share Registrar,

I/We, ______________________________, holding CNIC No. ________________________, being the registered shareholder of the company under folio no. ____________________, state that pursuant the relevant provisions of Section 242 of the Companies Act, 2019 pertaining to dividend payments by listed companies, the below mentioned information relating to my Bank Account for receipt of current and future cash dividends through electronic mode directly into my bank account are true and correct and I will intimate the changes, if any in the above-mentioned information to the company and the concerned Share Registrar as soon as these occur through revised E-Dividend Form.

Title of Bank Account	
Bank Account Number	
IBAN Number	
Bank's Name	
Branch Name and Address	
Cell Number of Shareholder	
Landline number of Shareholder	
Email of Shareholder	

In case of CDC shareholding, I hereby also undertake that I shall update the above information of my bank account in the Central Depository System through respective participant.

Date: Member's Signature:

Note:

This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary
Shakarganj Limited
E-Floor, IT Tower, 73 E 1, Hali Road, Lahore
Email: asif.malik@shakarganj.pk

Chief Executive,
M/s Corptec Associates (Private) Limited
Independent Share Registrar of Shakarganj Limited
503-E, Johar Town, Lahore
Email: info@corptec.com.pk

ای۔ڈیویڈنڈ فارم (الیکٹرانک طریقے سے ڈیویڈنڈ کی ادائیگی)

دی کمپنی سیکرٹری/شیئر رجسٹرار،

میں/ہم.................. حامل سی این آئی سی نمبر.................. فولیو نمبر.................. کے تحت کمپنی کے رجسٹرڈ شیئر ہولڈر ہونے کی حیثیت سے بیان کرتا ہوں کہ لسٹیڈ کمپنیوں کی طرف سے ڈیویڈنڈ کی ادائیگیوں سے متعلق کمپنیز ایکٹ، 2017ء کے سیکشن 242 کی متعلقہ دفعات کی رُو سے موجودہ اور مستقبل کے کیش ڈیویڈنڈز کی الیکٹرانک طریقے سے براہِ راست میرے بینک اکاؤنٹ میں وصولی کے لئے ذیل میں دی جانے والی معلومات صحیح اور درست ہیں۔ اگر اوپر بیان کردہ معلومات میں کوئی تبدیلی ہوئی تو جیسے ہی یہ تبدیلی ہوگی میں نظر ثانی شدہ ای۔ڈیویڈنڈ فارم کے ذریعے کمپنی اور متعلقہ شیئر رجسٹرار کو فوری طور پر اس کی اطلاع دوں گا۔

ٹائٹل آف بینک اکاؤنٹ	
بینک اکاؤنٹ نمبر	
آئی بی اے این نمبر	
بینک کا نام	
برانچ کا نام اور ایڈریس	
شیئر ہولڈر کا سیل نمبر	
شیئر ہولڈر کا لینڈ لائن نمبر	
شیئر ہولڈر کا ای میل	

سی ڈی سی شیئر ہولڈنگ کی صورت میں، میں بذریعہ ہٰذا یہ وعدہ بھی کرتا ہوں کہ متعلقہ پارٹیسپنٹ کے ذریعے سنٹرل ڈیپازٹری سسٹم میں اپنے بینک اکاؤنٹ کی مذکورہ بالا معلومات کو اپ ڈیٹ کروں گا۔

تاریخ..................................... ....

ممبر کے دستخط

نوٹ: یہ معیاری درخواست فارم کمپنی سیکرٹری یا کمپنی کے انڈیپینڈنٹ شیئر رجسٹرار، کسی کے بھی درج ذیل پتے پر بھیجا جا سکتا ہے۔

کمپنی سیکرٹری
شکر گنج لمیٹڈ
E فلور، آئی ٹی ٹاور، 1 E 73، حالی روڈ، لاہور
ای میل: asif.malik@shakarganj.pk

چیف ایگزیکٹو
میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ
انڈیپینڈنٹ شیئر رجسٹرار آف شکر گنج لمیٹڈ
E-503، جوہر ٹاؤن، لاہور
ای میل: info@corpetc.com.pk

FORM FOR VIDEO CONFERENCE FACILITY

The Company Secretary/Share Registrar,

I/we,__________________________, of _____________________, being the registered shareholder(s) of the company under Folio No(s). _________________/ CDC Participant ID No.___ and Sub Account No.___ CDC Investor Account ID No., and holder of ___________ Ordinary Shares, hereby request for video conference facility at _________________ for the Annual General Meeting of the Company to be held on ________________.

Date: Member's Signature:

Note:
This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary
Shakarganj Limited
E-Floor, IT Tower, 73 E 1, Hali Road, Lahore
Email: asif.malik@shakarganj.pk

Chief Executive,
M/s Corptec Associates (Private) Limited
Independent Share Registrar of Shakarganj Limited
503-E, Johar Town, Lahore
Email: info@corptec.com.pk

فارم برائے ویڈیو کانفرنس سہولت

دی کمپنی سیکرٹری/شیئر رجسٹرار،

..................سے تعلق رکھنے والا/ والے، میں/ہم..................................حامل..............................عام حصص فولیو نمبر (نمبرز).................................../سی ڈی سی پارٹیسپنٹ ID نمبر..............................اور سب اکاؤنٹ نمبر......................سی ڈی سی انویسٹر اکاؤنٹ ID نمبر.................کے تحت کمپنی کے رجسٹرڈ شیئر ہولڈر (ہولڈرز) کی حیثیت سے .... کو منعقد ہونے والے کمپنی کے سالانہ اجلاسِ عام کے لئے..............................میں ویڈیو کانفرنس سہولت کی درخواست کرتا ہوں/کرتے ہیں۔

تاریخ....................................

....

ممبر کے دستخط

نوٹ: یہ معیاری درخواست فارم کمپنی سیکرٹری یا کمپنی کے انڈیپنڈنٹ شیئر رجسٹرار، کسی کے بھی درج ذیل پتے پر بھیجا جاسکتا ہے۔

کمپنی سیکرٹری

شکر گنج لمیٹڈ

E فلور، آئی ٹی ٹاور، 1 E 73، حالی روڈ، لاہور

ای میل: asif.malik@shakarganj.pk

چیف ایگزیکٹو

میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ

انڈیپنڈنٹ شیئر رجسٹرار آف شکر گنج لمیٹڈ

E-503، جوہر ٹاؤن، لاہور

ای میل: info@corpetc.com.pk

Shakarganj Limited

Executive Floor, IT Tower, 73 E 1
Hali Road, Gulberg III, Lahore, Pakistan
Telephone: (042) 111 111 765
Fax: (042) 3578 3811