



2023 ANNUAL REPORT



سانگھڑ شوگر ملز لمیٹیڈ
Sanghar Sugar Mills Limited

Table of Contents

COMPANY INFORMATION

Company Information	2
Statement of Vision, Mission, Corporate Objectives and Strategy & Strategic Planning	3
Code of Conduct	4

INFORMATION FOR SHAREHOLDERS

Notice of Annual General Meeting (English & Urdu)	5
---	---

CORPORATE GOVERNANCE

Chairman's Review (English & Urdu)	15
Directors' Report (English & Urdu)	18
Report on Corporate Social Responsibility (English & Urdu)	48
Risk Management Framework & Methodology	58
Key Responsibilities of the Chairman of the Board of Directors	63
Key Responsibilities of the Chief Executive Officer	64
Terms of References of the Committees	65
An abstract of Policy for Corporate Social Responsibility	69
An abstract of Policy for Directors' Remuneration & Meeting Fee	71
An abstract of Policy for Related Party Transactions & Their Records	73
An abstract of Policy for Gender Diversity	77
An abstract of Policy for Whistleblowing	79
Report of the Audit Committee	83
Independent Auditor's Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019	86
Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019	87

FINANCIAL HIGHLIGHTS

Key Operating and Financial Highlights	90
Graphical Presentation of Financial Highlights	91
Horizontal Analysis of Financial Statements	92
Vertical Analysis of Financial Statements	93
Stakeholder Engagement, Investor Relations & Financial Ratios	94
Statement of Value Addition and its Distribution	96
Graphical Presentation of Value Distribution	97

FINANCIAL STATEMENTS

Independent Auditors' Report to the Members	98
Statement of Financial Position	102
Statement of Profit or Loss	103
Statement of Comprehensive Income	104
Statement of Changes in Equity	105
Statement of Cash Flows	106
Notes to the Financial Statements	108

OTHER INFORMATION

Pattern of Shareholding	147
Form of Dividend Payments through Electronic Mode (English & Urdu)	149
Form of Consent to receive Hard Copies of Notices and Audited Financial Statements (English & Urdu)	151
Important Notice — Implementation of Section 72 of the Companies Act, 2017 Conversion of Physical Shares into Book-Entry Form (English & Urdu)	153
Form of Proxy (English & Urdu)	155

Company Information

BOARD OF DIRECTORS

Mr. Ghulam Dastagir Rajar (Chairman)	Non-Executive Director
Mr. Ghulam Hyder (Chief Executive)	Executive Director
Haji Khuda Bux Rajar	Executive Director
Mr. Muhammad Qasim	Non-Executive Director
Mr. Mehmood Alam	Independent Director
Mr. M. Abdul Jabbar (Nominee of N.I.T.)	Independent Director
Ms. Misbah	Non-Executive Director-Female

BOARD COMMITTEES

AUDIT COMMITTEE

Mr. M. Abdul Jabbar	(Chairman)
Mr. Muhammad Qasim	
Mr. Mehmood Alam	

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. M. Abdul Jabbar	(Chairman)
Mr. Ghulam Hyder	
Ms. Misbah	

INFORMATION TECHNOLOGY & STEERING COMMITTEE

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Ghulam Dastagir Rajar	(Chairman)
Mr. Muhammad Qasim	
Ms. Misbah	
Syed Rehan Ahmad Hashmi	

RISK MANAGEMENT COMMITTEE

Mr. Mehmood Alam	(Chairman)
Haji Khuda Bux Rajar	
Mr. M. Abdul Jabbar	

COMPANY SECRETARY

Mr. Muhammad Mubeen Alam

CHIEF FINANCIAL OFFICER

Syed Rehan Ahmad Hashmi

STATUTORY AUDITOR

Kreston Hyder Bhimji & Co.
Chartered Accountants

COST AUDITOR

A. D. Akhawala & Co.
Chartered Accountants

SHARE REGISTRAR

Hameed Majeed Associates (Pvt) Limited
Karachi Chambers, Hasrat Mohani Road
Karachi.

Phone: 021 32424826

Fax: 021 32424835

LEGAL ADVISOR

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

BANKERS

Islamic

Al-Baraka Bank (Pakistan) Limited

Bank Islami Pakistan Limited

Meezan Bank Limited

Conventional

Bank Al-Habib Limited

MCB Bank Limited

National Bank of Pakistan

Soneri Bank Limited

United Bank Limited

REGISTERED / HEAD OFFICE

Office No. 204, 2nd Floor, Clifton Centre,
Block - 5, Clifton, Karachi

Phone: 021 35371441 to 43 (3 lines)

Fax: 021 35371444

Website: www.sangharsugarmills.com

E-mail: info@sangharsugarmills.com

MANUFACTURING FACILITIES

13 K.M., Sanghar - Sindhari Road

Deh Kehore, District Sanghar, Sindh

Phone: (0345) 3737001 - 8222911

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

VISION STATEMENT

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

MISSION STATEMENT

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

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

CORPORATE OBJECTIVES

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

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

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

CORPORATE STRATEGY

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

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

STRATEGIC PLANNING

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

Code of Conduct

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

THE COMPANY

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

AS DIRECTORS

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

AS EXECUTIVES AND MANAGERS

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

AS EMPLOYEES AND WORKERS

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

Notice of the Annual General Meeting

Notice is hereby given that 38th Annual General Meeting (AGM) of the Shareholders of the Sanghar Sugar Mills Limited (the Company) will be held on Saturday January 27, 2024 at 11:00 a.m. at 3rd Floor, PSX Auditorium, Pakistan Stock Exchange Building (Administration Block), Stock Exchange Road, Karachi and also through video link facility to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of Extra Ordinary General Meeting of the Company held on November 02, 2023.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended September 30, 2023 together with Directors' and Auditors' Reports thereon.

Availability & Circulation of Annual Audited Financial Statements on Company's Website & through QR Enabled Code

In compliance of Section 223(6) of the Companies Act, 2017 read with S.R.O. 389(I)/2023 dated March 21, 2023, the Company is hereby also circulate the "**Annual Audited Financial Statements together with all relevant and or related Reports and documents**" of the Company for the year ended September 30, 2023 to the members of the Company, through weblink and QR enabled code, to view and download the annual audited financial statements together with the reports and documents annexed thereto. The Members may view and or download through the following links and code:

Weblink: [www.sangharsugarmills.com / Investor Information / Annual Reports](http://www.sangharsugarmills.com/Investor%20Information/Annual%20Reports)

QR Code:



3. To appoint Auditors for the year 2023-2024 and fix their remuneration. The present Auditors M/s Kreston Hyder Bhimji & Co. Chartered Accountants, retire and being eligible, have offered themselves for re-appointment.
4. To transact any other ordinary business with the permission of the Chair.

By Order of the Board

Muhammad Mubeen Alam
Company Secretary

Karachi: January 05, 2024

NOTES :

1. Transmission of Audited Financial Statements:

The Audited Financial Statements of the Company for the year ended September 30, 2023 have been made available on the Company's website www.sangharsugarmills.com in addition to Annual and Quarterly Financial Statements for the prior year's / period's respectively.

Further, in compliance of Section 223(6) of the Companies Act, 2017 read with S.R.O. 389(I)/2023 dated March 21, 2023 and with the provisions of the Electronic Transaction Ordinance, 2002 that the Annual Audited Financial Statements together with the relevant notices / reports and or documents of the Company for the year ended September 30, 2023 has been e-mailed by the Company to the respective shareholders who have provided their valid email IDs to the Share Registrar and or concerned Participant / CDC Investor Account Services.

Furthermore, in compliance of Section 223(6) of the Companies Act, 2017 read with S.R.O. 389(I)/2023 dated March 21, 2023 and with the provisions of the Electronic Transaction Ordinance, 2002 that the Notice of Annual General Meeting has been dispatched to members as per requirements of the Companies Act, 2017, on their registered address, containing the QR code and the weblink address to view and download the annual audited financial statements together with the reports and documents required to be annexed thereto under the Companies Act, 2017.

2. Closure of Share Transfer Books:

The Share Transfer Books of the Company will remain closed from 20-01-2024 to 27-01-2024 (both days inclusive). Physical Transfers/CDS Transactions IDS received in order, in all respects, at the close of the Business on 19-01-2024 at the Company's Share Registrar M/s Hameed Majeed Associates (Pvt) Limited, Karachi Chamber, Hasrat Mohani Road, Karachi, will be considered for attending and voting at Annual General Meeting.

3. Online Participation in AGM:

The Securities & Exchange Commission of Pakistan through its Circular No. 4 dated February 15, 2021 has directed the listed companies to ensure the participation of members in General Meeting through electronic means as a regular feature in addition to holding physical meetings. Therefore, the Members will also be able to participate in the AGM proceedings after completing all the formalities required for the verification and identification of the Members for online login participation.

For this purpose, Members are requested to get their particulars registered with the Company by sending email on "info@sangharsugarmills.com" mention in the subject that "AGM January 2024" and can also be registered by sending the following details through courier / post at the registered Office of the Company, addressed to Company Secretary. Following details are required:

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

Video-link and login credentials and time will be shared with only those shareholders / proxies (must submit proxy form) whose details as stated above, must received by us at least 48 hours before the time of this meeting. Incomplete, suspicious and details received after the expiry of time period will not be entertained.

Members are also required to attach the copy of their CNIC and where applicable, copy of CNIC of member(s) of whom they hold proxy(ies) while sending the information. Without the copy of CNIC, such member(s) shall not be registered for the video-link facility.

4. Comments / Suggestions for the Agenda Items:

Members can also participate in the meeting through their comments / suggestions for the agenda items via our WhatsApp number and or through our email (kindly mention subject "AGM January 2024"). Details are given below:

WhatsApp No. +92 300 2742176
Email ID: info@sangharsugarmills.com

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

5. Voting (Electronic / Postal Ballot):

In order to comply with the requirements of the S.R.O. 906(1)/2023 dated July 07, 2023, S.R.O. 2192(1)/2022 dated December 05, 2022 and the Companies Act, 2017 (the Act), the Companies (Postal Ballot) Regulations, 2018 (the Regulations) and the Listed Companies (Code of Corporate Governance) Regulations, 2019 the responsibility of the Company is to provide the right of vote through electronic voting facility and vote through postal ballot to every member of the Company, subject to the requirements of sections 143 and 144 of the Act.

6. Participation in the AGM through Proxy:

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

7. Submission of copy of CNIC (Mandatory):

The Company's Shareholders who are holding its Share in Physical Form are hereby informed and notified in their own interest who have not yet provided copy of their valid Computerized National Identity Card (CNIC) mentioning their Folio Numbers and are hereby reminded again through this Notice and previously requested through Notices of Annual and Extra Ordinary General Meetings held in previous years, which were appeared in respective Annual Reports of the Company as well as published in the news papers of Karachi and Lahore editions and also published through specific notices on several dates, to send urgently valid copy of their CNIC as mentioned above, to the Company or its Share Registrar in order to comply with the mandatory requirements of Securities and Exchange Commission of Pakistan issued vide SRO 83(1)/2012 dated July 05, 2012 and SRO 19(1) of 2014 dated January 10, 2014.

A List of such Shareholders along with their Folio numbers, Names and Address whose shares are held in Physical Form, is available on the Company's Website www.sangharsugarmills.com for reference who have not yet submitted the valid copy of their CNIC to the Company.

8. Attendance at the Meeting:

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

9. Change of Address:

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

10. Video Conference Facility:

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

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

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

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

Signature of Member(s)

11. Unclaimed Dividend:

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

12. Dividend Payments through Electronic Mode:

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

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

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

In supersession / partial modification of notification No. 470(I) dated May 31, 2016 and notification No. 787(I)/2014 dated September 08, 2014, the SECP has issued latest S.R.O. 389(I)/2023 dated March 21, 2023 read with Section 223(6) and 223 (7) of the Companies Act, 2017 which states that the Members of the Company who wish to receive the hard copy of Audited Financial Statements and Reports of the Company instead of sending the same through email, are requested to provide a "Standard Request Form", duly filled and signed in all respects, to communicate the need of hard copy, to the Company Secretary / Share Registrar. The Standard Request Form is available on the Company's website and also annexed herewith.

The Company will send the complete audited financial statements with relevant documents in hard copy to the member, at their registered addresses, free of cost, within one week, if a request has been made by the member on the standard request form.

14. Deposit of Physical Shares in to CDC Account:

As per Section 72 of the Companies Act, 2017 every existing listed company shall be required to replace its physical shares with book-entry form. Therefore, the Shareholders having physical shareholding are encouraged to open CDC sub-account with any of the brokers or investor account directly with CDC to place their physical shares into scrip less form, this will facilitate you in many ways, including save custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per the existing regulations of the authorities.

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

Registered Office of the Company:

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

Share Registrar of the Company:

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

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

کمپنیز ایکٹ 2017 کے سیکشن 72 کے تحت تمام موجودہ لسٹڈ کمپنیوں پر لازم ہے کہ اپنے کاغذی صورت میں جاری کردہ اپنے حصص کو کھاتوں میں اندراج کے ذریعے تبدیل کر لیں، لہذا ایسے حصص داران جن کے پاس کمپنی کے حصص کاغذی صورت میں موجود ہیں سے گزارش کی جاتی ہے کہ کسی بھی بروکر کے پاس اپنا سی ڈی سی ذیلی اکاؤنٹ کھلوالیں یا براہ راست سی ڈی سی میں اپنا سرمایہ کاری اکاؤنٹ کھلوالیں تاکہ ان کے حصص کو اسکرپ لیس فارم میں منتقل کیا جاسکے، ایسا کرنے سے انھیں کئی لحاظ سے سہولیات فراہم ہو جائیں گی جیسا کہ محفوظ تحویل، کسی بھی وقت حصص کی فروخت وغیرہ، کیونکہ موجودہ قوانین کی رو سے کاغذی صورت میں اب حصص کی خرید و فروخت ممنوع ہے۔



مزید معلومات یا سوالات کیلئے ممبران، کمپنی یا ہمارے حصص رجسٹرار سے درج ذیل تپوں پر رابطہ کر سکتے ہیں:

کمپنی کارجرٹ ڈسٹرڈ دفتر:

دفتر نمبر 204، دوسری منزل، کلفٹن سینٹر، بلاک-5، کلفٹن کراچی۔

فون نمبر: 021-35371441 to 43 (تین لائنیں)، فیکس: 021-35371444

ویب سائٹ: www.sangharsugarmills.com

ای میل: info@sangharsugarmills.com

حصص رجسٹرار برائے کمپنی:

حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ

کراچی چیمبرز، حسرت موہانی روڈ، کراچی

فون: 021-32424826، فیکس: 021-32424835

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

میں / ہم _____ سکنہ / ساکنہ _____ بطور ممبر ساکنہ شوگر ملز لمیٹیڈ،
 حال _____ عام _____ حصص (تعداد حصص) بحوالہ رجسٹرڈ فیوچر ای سی ڈی سی اکاؤنٹ نمبر _____ بذریعہ ہذا
 بمقام _____ ویڈیو کانفرنس کی سہولت حاصل کرنا چاہتا / چاہتی ہوں۔

دستخط ممبر (ممبران)

11- غیر دعویٰ شدہ ڈیویڈنڈ:

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

12- الیکٹرانک ذرائع سے ڈیویڈنڈ کی ادائیگی:

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

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

13- آڈٹ شدہ مالیاتی دستاویزات و نوٹس کی ہارڈ کاپی حاصل کرنے کیلئے اظہار رضامندی:

ایس ای سی پی کی جانب سے جاری کردہ نوٹیفیکیشن بحوالہ نمبر (1) 470 مورخہ 31 نومبر 2016 اور نوٹیفیکیشن نمبر 787(1)/2014 مورخہ 8 ستمبر 2014 کی جگہ اجزوی ترمیم کے ساتھ ایس ای سی پی کی جانب سے جاری کئے گئے حالیہ ایس آر نمبر 389(I)/2023 مورخہ 21 مارچ 2023 جسے کمپنیز ایکٹ 2017 کے سیکشنز (6) 223 اور (7) 223 کے ساتھ ملا کر پڑھا جائے کے تحت ایسے ممبران جو کہ کمپنی کی مالیاتی دستاویزات اور رپورٹس بذریعہ ای میل کے بجائے ہارڈ کاپی کی صورت میں حاصل کرنے کے خواہشمند ہوں تو انہیں چاہئے کہ "اسٹینڈرڈ درخواست فارم" برائے حصول ہارڈ کاپی بابت کمپنی مالیاتی دستاویزات و نوٹس باقاعدہ طور پر اور دستخط کر کے کمپنی سیکرٹری / شیئر رجسٹرار کے پاس جمع کروادیں۔ اسٹینڈرڈ درخواست فارم" کمپنی کی ویب سائٹ پر موجود ہے اور اس فارم اس اعلان کے ساتھ بھی منسلک کر دیا گیا ہے۔

کمپنی کی جانب سے مالیاتی دستاویزات کی آڈٹ شدہ مکمل ہارڈ کاپی درخواست گزار کے رجسٹرڈ شدہ پتے پر ایک ہفتے کے اندر اندر مفت ارسال کر دی جائے گی بشرطیکہ کسی ممبر کی جانب سے اسٹینڈرڈ فارم اس سلسلے میں باقاعدہ درخواست دی گئی ہو۔

7- قومی شناختی کارڈ جمع کرانا (لازم):

کمپنی کے ایسے حصص داران جن کے پاس کمپنی کے فزیکل / کاغذی حصص موجود ہیں اور انہوں نے ابھی تک اپنا کارڈ میٹریٹرز قومی شناختی کارڈ ہمارے پاس جمع نہیں کروایا، ان کے بہترین مفاد میں بذریعہ یاد دہانی کروائی جاتی ہے اور مطلع کیا جاتا ہے جیسا کہ ماضی میں بھی انہیں سالانہ عام اجلاس اور غیر معمولی اجلاس عام کے نوٹسز کے ذریعے یاد دہانی کروائی جاتی رہی ہے جو کہ گزشتہ سالانہ رپورٹس میں شائع ہوتے رہے ہیں، نیز کراچی اور لاہور کے معروف اخبارات میں خصوصی نوٹسز کے ذریعے بھی مختلف تاریخوں پر یہ یاد دہانی کروائی جاتی رہی ہے کہ کمپنی یا کمپنی شیئر رجسٹرار کو اپنے کمپیوٹرائزڈ قومی شناختی کارڈ کی نقل فوری طور پر ارسال کر دیجئے تاکہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے جاری کردہ SRO 83(1)/2012 مجریہ 5 جولائی 2012 اور SRO 19(1) بابت 2014 مجریہ 10 جنوری 2014 کے مطابق عمل درآمد کیا جاسکے۔

ایسے تمام حصص داران جن کے پاس کمپنی کے حصص فزیکل / کاغذی صورت میں موجود ہیں، ان کی فہرست ان کے فونو نمبر، نام، پتے اور کمپنی کے حصص کی تعداد کے ساتھ کمپنی کی ویب سائٹ www.sangharsugarmills.com پر جاری کر دی گئی ہے تاکہ جن حصص داران کی جانب سے ابھی کمپیوٹرائزڈ قومی شناختی کارڈ جمع نہیں کروایا گیا ہے وہ اس فہرست میں اپنا نام دیکھ سکیں۔

8- اجلاس میں شرکت:

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

9- پتے کی تبدیلی:

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

10- ویڈیو کانفرنس کی سہولت:

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

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

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

ویڈیولنک اور لاگ ان کرنے سے متعلق تفصیلات صرف انہی حصص داران/پراکسی (پراکسی فارم جمع کروانا لازم ہے) کو فراہم کی جائیں گی جن کی جانب سے مزکورہ بالا معلومات اجلاس عام شروع ہونے سے 48 گھنٹے پہلے جمع کروادی جائیں گی۔ نامکمل، مشکوک اور آخری تاریخ کے بعد موصول ہونے والی معلومات کو اجلاس کی کاروائی میں شامل نہیں کیا جائے گا۔

ممبران سے یہ بھی گزارش ہے کہ مزکورہ معلومات فراہم کرتے وقت اپنے قومی شناختی کارڈ کی نقل بھی منسلک کریں اور جہاں ضرورت ہو، کسی ممبر کے پراکسی، جس کی جانب سے وہ پراکسی بنائے گئے ہیں، اس ممبر کی شناختی کارڈ کی نقل بھی منسلک کریں۔ قومی شناختی کارڈ کی نقل کے بغیر ممبران کو ویڈیولنک کیلئے رجسٹرڈ نہیں کیا جائے گا۔

4- ایجنڈے کے امور سے متعلق آراء و سفارشات:

ممبران اجلاس میں اس طرح بھی شرکت کر سکتے ہیں کہ ہمارے واٹس ایپ نمبر پر یا بذریعہ ای میل ہمارے ای میل پتے پر (بعنوان "AGM January 2024") ایجنڈے پر موجود امور سے متعلق اپنی آراء اور مشوروں سے ہمیں آگاہ کریں۔ تفصیلات درج ذیل ہیں:

واٹس ایپ نمبر: +92 300 2742176

ای میل پتہ: info@sangharsugarmills.com

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

5- حق رائے دہی بذریعہ الیکٹرونک اپوسٹل بیلٹ:

ایس آر او 2023/1(906) مورخہ 7 جولائی 2023، ایس آر او 2022/1(2192) مورخہ 5 دسمبر 2022 اور کمپنیز (پوسٹل بیلٹ) ریگولیشنز، 2018 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کی رو سے کمپنی اس بات کی ذمہ دار ہے کہ کمپنی کے ہر ممبر کو بذریعہ ڈاک اور الیکٹرونک ذرائع اپنا حق رائے دہی استعمال کرنے کی سہولت فراہم کرے بشرطیکہ ایکٹ کے سیکشنز 143 اور 144 کی شرائط پر عمل کیا جائے۔

6- سالانہ عام اجلاس میں بذریعہ پراکسی شرکت:

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

نوٹس:

1- آڈٹ شدہ مالیاتی دستاویزات کی ترسیل:

کمپنی کی آڈٹ شدہ مالیاتی دستاویزات بابت مالی سال اختتامیہ 30 ستمبر 2023 کو کمپنی کی ویب سائٹ www.sangharsugarmills.com پر فراہم کر دیا گیا ہے، علاوہ ازیں، گزشتہ مالی سالوں / سہ ماہیوں سے متعلق سالانہ سہ ماہی رپورٹس بھی ویب سائٹ پر فراہم کی جا چکی ہیں۔ مزید برآں، کمپنیز ایکٹ 2017 کے سیکشن (6) 223 بمعہ خواندگی ایس آر او 2023/389(I) مورخہ 21 مارچ 2023 اور بمعہ پروویژن بابت الیکٹرانک ٹرانز ایکشن آرڈیننس 2002 کے مطابق سالانہ آڈٹ شدہ مالیاتی دستاویزات بمعہ متعلقہ نوٹس / رپورٹس اور دستاویزات بابت مالی سال اختتامیہ 30 ستمبر 2023، کمپنی کی جانب سے متعلقہ حصص داران کو ای میل کر دی گئی ہیں، جن کی جانب سے کمپنی کے شیئر رجسٹرار یا متعلقہ شرکات دار / سی ڈی سی انویسٹرا کاؤنٹ سروسز کو کارآمدی ای میل ایڈریس فراہم کیا گیا تھا۔

مزید برآں کمپنیز ایکٹ 2017 کے سیکشن (6) 223 بمعہ خواندگی ایس آر او 2023/389(I) مورخہ 21 مارچ 2023 و بمعہ خواندگی الیکٹرانک ٹرانسفر آرڈیننس، 2002 کے مطابق ممبران کو کمپنی کے سالانہ اجلاس عام کے نوٹس بھجوائے جا چکے ہیں جو کمپنیز ایکٹ 2017 کے ضوابط کے عین مطابق ہے، نوٹس ممبران رجسٹرڈ شدہ پتوں پر ارسال کئے گئے ہیں جن پر کیو آر کوڈ اور ویب لنک درج ہیں تاکہ کمپنی کی سالانہ آڈٹ شدہ مالیاتی دستاویزات اور متعلقہ دستاویزات کو دیکھا اور ڈاؤن لوڈ کیا جاسکے، یہ سہولت کمپنیز ایکٹ 2017 کے ضوابط کے عین مطابق ہے۔

2- حصص منتقلی کھاتوں کی بندش:

کمپنی کی حصص منتقلی کے کھاتے برائے سالانہ عام اجلاس میں شرکت اور رائے دہی کے ضمن میں مورخہ 20-01-2024 تا 27-01-2024 (بشمول ایام مزکورہ) بند رہیں گے۔ ایسی تمام دستی منتقلیاں / سی ڈی ایس منتقلیاں اور آئی ڈی ایس جو کہ ہر لحاظ مکمل ہوں اور کاروباری دن کے اختتام مورخہ 19-01-2024 تک کمپنی کے حصص رجسٹرار میسرز حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، کراچی چیئرمین، حسرت موہانی روڈ، کراچی کو موصول ہو جائیں تو انہیں بروقت تصور کیا جائے گا اور انہیں اجلاس میں شرکت اور حق رائے دہی کیلئے زیر غور لایا جائے گا۔

3- سالانہ اجلاس عام میں آن لائن شرکت:

سیکیورٹیز اینڈ ایکسچینج آف پاکستان کی جانب سے بذریعہ سرکلر نمبر 4 مجریہ 15 فروری 2021 تمام لسٹڈ کمپنیوں کو ہدایت دی گئی ہے کہ کمپنیاں اپنے سالانہ اجلاس عام میں ذاتی طور پر شرکت کے ساتھ ساتھ اس بات کو بھی یقینی بنائیں کہ مستقل بنیادوں پر ممبران کو ان اجلاسوں میں شرکت کیلئے الیکٹرانک ذرائع کی سہولت بھی میسر ہو۔ لہذا اجلاس عام میں آن لائن شرکت کیلئے ممبران ضروری رسمی کاروائی کے بعد اہل ہونگے تاکہ ممبران کی شناخت اور توثیق کے بعد آن لائن آگ ان ہونے کی سہولت فراہم کی جاسکے۔

اس مقصد کیلئے، ممبران سے گزارش ہے کہ اپنی تمام تفصیلات کمپنی کے ای میل پتے "info@sangharsugarmills.com" پر بذریعہ ای میل ارسال کر دیں اور ای میل کے عنوان میں "AGM January 2024" تحریر کریں یا پھر یہ معلومات کمپنی سیکرٹری کو کمپنی کے رجسٹرڈ شدہ پتے پر بذریعہ کوریئر یا ڈاک بھی ارسال کی جاسکتی ہیں۔ مطلوبہ معلومات در ذیل ہیں:

نوٹس برائے سالانہ عام اجلاس

بذریعہ ہدایہ اطلاع دی جاتی ہے کہ کمپنی کے حصص داران کا اڑتیسواں (38th) سالانہ عام اجلاس (AGM) 27 جنوری 2024 بوقت صبح 11:00 بمقام تیسری منزل، پاکستان اسٹاک ایکسچینج آڈیٹوریم، پاکستان اسٹاک ایکسچینج بلڈنگ (ایڈمنسٹریشن بلاک)، اسٹاک ایکسچینج روڈ، کراچی منعقد کیا جائے گا اجلاس ہذا میں شرکت کیلئے ویڈیولنک کی سہولت بھی میسر ہوگی۔ اجلاس ہذا میں درج ذیل امور کو زیر بحث لایا جانا مقصود ہے:

عمومی امور:

- 1- کمپنی کے غیر معمولی عام اجلاس مورخہ 02 نومبر 2023 کی کارروائی کی شقوں کی توثیق کرنا۔
- 2- کمپنی کی آڈٹ شدہ مالیاتی دستاویزات بابت مالی سال 30 ستمبر 2023 بمعہ ڈائریکٹرز اور اسٹاک ہولڈرز پر غور و خوض کرنا اور اسے اپنانا۔ سالانہ آڈٹ شدہ مالیاتی دستاویزات کی کمپنی کی ویب سائٹ اور کارآمد کیو آر کوڈ کے ذریعے دستیابی اور ترسیل کمپنیز ایکٹ 2017 کے سیکشن (6) 223 بمعہ خواندگی ایس آر او (1) 389/2023 مجریہ 21 مارچ 2023 کے مطابق کمپنی اپنی "سالانہ آڈٹ شدہ مالیاتی دستاویزات بمعہ دیگر متعلقہ رپورٹس و دستاویزات" بابت مالی سال اختتامیہ 30 ستمبر 2023 کی اپنے ممبران تک ترسیل بذریعہ ویب لنک اور کارآمد کیو آر کوڈ کرے گی اور ان سالانہ آڈٹ شدہ مالیاتی دستاویزات بمعہ دیگر متعلقہ دستاویزات کو مذکورہ بالا ذرائع سے دیکھا اور ڈاؤن لوڈ کیا جاسکتا ہے۔ مذکورہ دستاویزات کو دیکھنے یا ڈاؤن لوڈ کرنے کیلئے ممبران درج ذیل لنکس یا کوڈ کو استعمال کر سکتے ہیں:

ویب سائٹ لنک: www.sangharsugarmills.com/Investor Information/Annual Reports



کیو آر کوڈ:

- 3- مالی سال 2023-24 کیلئے آڈیٹروں کی تعیناتی کرنا اور انکے مشاہرے کا تعین کرنا۔ موجودہ آڈیٹر میسرز کریسٹن حیدر محلی اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس ریٹائر ہو رہے ہیں اور انہوں نے اپنی اہلیت کی بنیاد پر ایک مرتبہ پھر اپنی خدمات کو پیش کرنے کا ارادہ ظاہر کیا ہے۔
- 4- چیئرمین کی اجازت سے کسی بھی دیگر عام نوعیت کے مسئلے پر بحث کرنا۔

بحکم بورڈ

محمد مبین عالم

کمپنی سیکرٹری

کراچی: 05 جنوری 2024

Chairman's Review

Dear Shareholders,

I am pleased with the performance of Sanghar Sugar Mills Limited and it gives me the immense pleasure to present the financial and other information for the year ended September 30, 2023 and to appraise them on the overall performance of the Board and effectiveness of the role played by the Board in achieving the Company's Goals, Corporate Objectives and Strategy based on Strategic Planning which are in line with the Vision and Mission of the Company.

During the year 2022-23, the Company has faced multiple challenges in which the rising raw material prices, depreciating currency, rising cost of doing business, surging inflation, increasing interest rates and tax compliances were some of the challenges and intense competition amongst the mills for sugarcane procurement which resulted in high sugarcane procurement cost and other cost of production. The selling price of sugar, in local market has been improved during the financial year and export of sugar through export quota approved by the Government has benefited the Company to some extent which resulted in alleviate the losses of the Company and enhanced cash-flows to the Company and gives benefits to the industry and economy of the Country, as a whole.

Your Company's performance is relatively sound. The Company has displayed a strong financial performance in a challenging business environment by attaining a profit before tax of Rs. 132,451 thousand as compared to profit before tax of Rs. 70,466 thousand for the previous year, which represents the increase of 87.96 % as compared to the previous year.

The Board is knowledgeable about the Company's current business activities including strengths and weaknesses and has an effective process for tracking activity with performance. The Board has completed its self evaluation and also assessed the performance of the Chief Executive Officer for the year 2022-23 and I would like to inform you that the overall evaluation and performance measured on the basis of approved criteria for the year was satisfactory.

The Board has performed its duties and responsibilities diligently and contributed effectively in guiding the Company in strategic and governance matters. All Board members, including directors, fully participated in and contributed to the decision making process of the Board. The Board has established policies that covers all major areas of Board's responsibilities and operations of the Company.

The Board has a fiduciary responsibility for the proper direction and control of the activities of the Company. In addition, the Board members also undertook the key activities i.e. attended Board meetings to actively participate in its proceedings, ensured that the Company complies with all the regulatory requirements and best practices, ensured appropriate measures were in place for safeguarding of the Company's assets, ensured that the identification and control of the Company's business risks, the integrity of management information systems and transparent reporting to shareholders.

I have strong confidence that the Company will continue to grow and Board will play its strategic role in assuring sustainable growth of the business and to maximize return for its shareholders. As an Organization, we firmly believe in upholding our core values, adapting to change and evolving for the better and operating with integrity and responsibility.

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

Karachi: December 18, 2023

Ghulam Dastagir Rajar
Chairman

کمپنی کی رہنمائی اور کنٹرول کے عمل میں بورڈ پر بنیادی ذمہ داری عائد ہوتی ہے۔ علاوہ ازیں، بورڈ ممبران کی جانب سے انتہائی اہم امور میں ذمہ داریاں سرانجام دی گئی ہیں جیسا کہ بورڈ کے اجلاسوں میں بھرپور شرکت، کمپنی کی جانب سے تمام قواعد و ضوابط اور گورننس کے اصولوں کی پابندی کو یقینی بنانا، اس بات کو یقینی بنانا کہ کمپنی کے تمام اثاثوں کی حفاظت کیلئے ہر ممکن اقدامات اٹھائے جائیں، کمپنی کے کاروباری رسک کی نشاندہی کرنا اور انہیں کنٹرول کرنا، انفارمیشن سسٹم اور حصص داران کیلئے رپورٹنگ کے سسٹم کو قابل اعتماد اور شفاف بنانا وغیرہ شامل ہیں۔

میر یقین کامل ہے کہ کمپنی ترقی کرے گی اور کمپنی کی حکمت عملی مرتب کرنے میں بورڈ اپنا اہم کردار ادا کرے گا اور اس بات کو یقینی بنائے گا کہ کمپنی کی نشوونما اور ترقی میں استقلال پیدا ہو اور کمپنی کے حصص داران کی سرمایہ کاری کی قدر میں اضافہ ہو۔ بطور ادارہ، ہم بنیادی اقدار پر عمل پیرا ہونے، بدلتے ہوئے حالات کے تحت خود کو ڈھالنے اور اور بہتر کاروباری حکمت عملی اپنانے پر یقین رکھتے ہیں اور ان تمام امور میں ایمانداری اور ذمہ داری کا مظاہرہ کرنا ہمارا عزم ہے۔

میں اس موقع سے فائدہ اٹھاتے ہوئے اس بات کو ریکارڈ پر لانا چاہتا ہوں کہ کمپنی کے تمام ایگزیکٹوز، افسران، اسٹاف ممبران اور ورکرز کمپنی کو سبک رفتاری کے ساتھ آگے بڑھانے میں جس فرض شناسی، محنت اور احساس ذمہ داری کا مظاہرہ کر رہے ہیں وہ لائق تحسین ہے۔ اور میں امید کرتا ہوں کہ کمپنی کو اسی بار آور بنانے کیلئے ان کا جوش و جذبہ اور اللہ تعالیٰ کی رحمت ہمارے شامل حال رہے گی۔ میں تمام سرکاری عمال، بینکاروں، غیر بینکاری مالیاتی اداروں، ترسیل کاروں اور حصص داروں کا تہہ دل سے ممنون ہوں کہ کمپنی کی بہتری اور خوشحالی کیلئے ان کی حمایت اور تعاون ہمیشہ ہمیں حاصل رہا۔

غلام دستگیر راجرٹ

چیرمین

کراچی: 18 دسمبر 2023ء

چیمبر میں جائزہ رپورٹ

معزز حصص داران،

سائیکھٹو شوگر ملز لمیٹڈ کی کارکردگی میرے لئے باعث مسرت ہے اور انتہائی مسرت کے ساتھ میں مالی سال اختتامیہ 30 ستمبر 2023 سے متعلق مالیاتی دستاویزات اور دیگر معلومات پیش کرنے جا رہا ہوں اور بورڈ کی جانب سے مجموعی کارکردگی کو جانچا بھی جائے گا، اس جانچ کے عمل میں کمپنی کے مقاصد، کارپوریٹ اہداف اور حکمت عملی پر مبنی منصوبہ بندی کو مد نظر رکھتے ہوئے بورڈ کی جانب سے ادا کئے جانے والے کردار کے موثر ہونے کا جائزہ لیا جائے گا جو کہ کمپنی مشن اور وژن کے مطابق ہے۔

مالی سال 2022-23 کے دوران خام مال کی قیمت میں اضافے، روپے کی قدر میں کمی، کاروباری لاگت میں اضافے، افراط زر میں اضافے، شرح سود میں اضافے، ٹیکس کی پابندیوں اور شوگر ملوں کے مابین گنے کے حصول کیلئے مسابقت جیسے مسائل سے کمپنی بنیاداً زاری۔ ملوں کے مابین مسابقت کی وجہ سے گنے کی قیمت خرید اور پیداواری لاگت میں اضافہ ہوا۔ زیر نظر مالی سال کے دوران مقامی مارکیٹ میں چینی کی قیمت فروخت میں اضافہ ہوا ہے، نیز حکومت کی جانب سے کوٹے کے تحت چینی برآمد کرنے کی اجازت ملنے کی وجہ سے بھی کمپنی کو کسی حد تک فائدہ ہوا ہے جس کے باعث کمپنی کے نقصانات کا ازالہ ممکن ہوا ہے اور کمپنی کے پاس نقد رقم کی ترسیل ہوئی ہے۔ مجموعی طور پر اس صورتحال سے پوری صنعت اور ملک کی معیشت کو بھی فائدہ ہوا ہے۔

آپ کی کمپنی کی کارکردگی نسبتاً بہتر رہی ہے۔ مسابقت کے اس ماحول میں کمپنی کی جانب سے مضبوط مالیاتی کارکردگی کا مظاہرہ کیا گیا ہے اور اس کے نتیجے میں 132,451 ہزار روپے کا منافع قبل از ٹیکس حاصل کیا گیا ہے، جبکہ گزشتہ مالی سال کے دوران منافع قبل از ٹیکس 70,466 ہزار روپے ریکارڈ کیا گیا تھا، اس طرح گزشتہ مالی سال کے مقابلے میں زیر نظر مالی سال کے دوران منافع قبل از ٹیکس میں 87.96% کا اضافہ ہوا ہے۔

بورڈ کمپنی کی رواں کاروباری سرگرمیوں سے مکمل طور پر آگاہ ہے جس میں اس کی طاقت اور کمزوریاں دونوں شامل ہیں اور کارکردگی پر نظر رکھنے اور اسے پرکھنے کا ایک جامع نظام موجود ہے۔ بورڈ کی جانب سے کارکردگی کو جانچنے کا عمل مکمل کیا جا چکا ہے، نیز مالی سال 2022-23 سے متعلق چیف ایگزیکٹو آفیسر کی کارکردگی کی جانچ بھی کر لی گئی ہے اور میں انتہائی مسرت کے ساتھ آپ کے گوش گزار کرنا چاہتا ہوں کہ طے شدہ معیار کے مطابق کی گئی جانچ مجموعی طور پر اطمینان بخش رہی ہے۔

بورڈ کی جانب سے اپنے فرائض منصبی اور ذمہ داریوں کو بخوبی نبھایا گیا ہے، بورڈ کی جانب سے کمپنی کی حکمت عملی اور گورننس کے معاملات میں کمپنی کی بھرپور رہنمائی کی گئی ہے۔ بشمول ڈائریکٹرز، بورڈ کے تمام ممبران کی جانب سے فیصلہ سازی کے عمل میں بورڈ کے اجلاسوں میں بھرپور حصہ لیا ہے۔ بورڈ کی جانب سے ایسی پالیسیاں مرتب کی گئی ہیں جن کے ذریعے نہ صرف بورڈ کی تمام ذمہ داریوں کا اعادہ ہوتا ہے بلکہ ان کے ذریعے کمپنی کے تمام افعال کا احاطہ بھی کیا گیا ہے۔

Directors' Report

The Directors of your Company are pleased to present 38th Annual Report with the Audited Financial Statements of the Company for the year ended September 30, 2023.

PRINCIPAL ACTIVITIES

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

OPERATING RESULTS & ITS REVIEW

	2022-2023	2021-2022
Season started on	25-11-2022	15-11-2021
Season completed on	17-02-2023	19-03-2022
Duration of crushing days	85	125
Sugarcane crushed (Metric Tons)	406,402.792	581,109.556
Average daily crushing (Metric Tons)	4,781.21	4,648.88
Cane sugar produced (Metric Tons)	41,711.25	61,785.00
Sucrose recovery (%)	10.263	10.635

Your Company is able to crush 406,402.792 M. Tons of sugar cane compared with 581,109.556 M. Tons of sugar cane in the last crushing season resulting a decrease of 30.06% in crushing and produced 41,711.25 M. Tons of sugar, correspondingly resulting a decrease of 32.49%, when compared with production of 61,785.00 M. Tons of last year. The Company has produced 21,300 M. Tons of molasses as compared to the 26,291.340 M. Tons of the last year resulting a decrease of 19.37% while comparing with the last year.

Crushing & Production, both are low due to shortage of crop in the area when compared with the last season and also the sucrose recovery is low due to stagnation of water in certain areas from which the cane were purchased and intermitted supply of cane, due to low availability. This season has also been started with carry forward stock of sugar in your Company as well as in the Country. Due to low cane, crushing was delayed by 10 to 15 days in the Province of Sindh.

FINANCIAL RESULTS & ITS REVIEW

The key financial figures of the Company for the year ended September 30, 2023 along with the comparatives for the corresponding year are summarized as under:

	2023 (Rupees '000).....	2022
Profit before taxation	132,451	70,466
Taxation	27,568	68,857
Profit after taxation	104,883	1,609
Earnings per share basic and diluted (Rupees)	8.78	0.13

During the year, the Company has earned profit before taxation amounted to Rs. 132,451 thousand compared with profit before taxation of Rs. 70,466 thousand in last year. During the year, we managed to keep the cane procurement cost on the lower side, when compared to the adjoining mills, but increased when compared with the last year of our Company, gradually reduced the tenure of utilization of short term borrowings for a short span of time, however, we have obtained and availed increased limited of short term borrowing as compared to the last year and had completely paid off before the year end, which keeps the finance cost in control and also the repayment of long term loans gradually keep the cost at lower side, managed & control the manufacturing expenses despite phenomenal increase in inflation.

Due to better selling price of local sales, resulting an increase in the gross selling price of sugar up-to 19.23% as compared to the last year while there is a decline in the quantity of sugar sold up-to 16.32% and the sale of by-product i.e molasses have been increased in terms of value i.e. up-to 23.44% which contributed in the profitability of the Company, while the quantity of sale of molasses has been decreased by 19.37% as compared to the last year.

Export of sugar through export quota approved by the Government has benefited the Company to some extent which also contributed in the profit of the financial results.

COMMENTS ON AUDITORS' REPORT

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

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK

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

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

- The Financial Statements prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of Financial Statements and there is no departure there from.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as going concern.
- There has been no material departure from the best practices of the Corporate Governance as detailed in the Regulations.
- The Key Operating and Financial Data for last ten years in summarized form are annexed.
- There are no statutory over dues otherwise than those disclosed in the financial statements and statutory payments due on account of taxes duties, levies and charges are being made in the normal course of business.

- An unfunded Gratuity Scheme is in operation for all permanent eligible employees and also the Leave Encashment Scheme for eligible employees to be paid at the time of retirement or leaving the Company. Provision are made annually to cover the obligation on the basis of actuarial valuation, related details of which are mentioned in the notes to the Financial Statements.
- The Pattern of Shareholding is annexed.
- In terms of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations), the Company shall ensure that all the directors on their board have acquired the prescribed certification under Director Training Program. As at the year end, the seven directors on the Board are Certified Directors and the one is exempt from certification under the Regulations. Subsequently, the new elected Directors namely: Mr. Ghulam Dastagir Rajar, Mr. Ghulam Hyder, Mr. M. Abdul Jabbar and Mr. Muhammad Qasim have attended and completed directors' training course conducted by Institutes / organizations authorized by the Securities & Exchange Commission of Pakistan. Haji Khuda Bux Rajar has the prescribed education and required experience for exemption under the said Regulations, accordingly he is exempted from attending Directors' Training Program. Further, Mr. Mehmood Alam and Ms. Misbah will attend and complete the Director Training Program in due course of time, as allowed by the Regulations because both of them has been elected on November 02, 2023.
- The Board strives to continuously improve its and Board Committees' effectiveness. Board has developed a mechanism as required under the Code of Corporate Governance to undertake annual evaluation to assess Board's and its Committees' performance. The Board also reviews developments in corporate governance to ensure that the Company always remains aligned with best practices.
- To the best of our knowledge, the Directors, Executives and their spouses and their minor children have not undertaken any trading of Company's shares during the year.
- Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 for the year is annexed with the Report.

CORPORATE GOVERNANCE & ADHERENCE TO BEST PRACTICES OF CORPORATE GOVERNANCE

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

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

NUMBER OF DIRECTORS

The total number of Directors are as follows:

Before Election of Directors As at September 30, 2023		After Election of Directors As at November 02, 2023	
a) Male:	Seven	a) Male:	Six
b) Female:	One	b) Female:	One

COMPOSITION OF THE BOARD

Before Election of Directors as at September 30, 2023, the composition of Board was as follows:

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

After Election of Directors as at November 02, 2023, the composition of Board is as follows:

	Name of Directors	Status	Category
1)	Mr. Ghulam Dastagir Rajar	Chairman	Non-Executive Director
2)	Mr. Ghulam Hyder	Chief Executive	Executive Director
3)	Haji Khuda Bux Rajar	Executive Director	Executive Director
4)	Mr. M. Abdul Jabbar	Independent Director	Non-Executive Director
5)	Mr. Mehmood Alam	Independent Director	Non-Executive Director
6)	Mr. Muhammad Qasim	Director	Non-Executive Director
7)	Ms. Misbah	Director	Non-Executive Director - Female

BOARD COMMITTEES

The Board has formed their Committees. During the year, the composition and their details are as follows:

Audit Committee

	Name of Members	Status	Category
1)	Mr. Rahim Bux	Chairman	Independent Director
2)	Mr. M. Abdul Jabbar	Member	Independent Director
3)	Mr. Shahid Aziz	Member	Non-Executive Director

Human Resource & Remuneration Committee

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

Information Technology & Steering Committee

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

Corporate Social Responsibility Committee

	Name of Members	Status	Category
1)	Mr. Ghulam Dastagir	Chairman	Non-Executive Director
2)	Mr. Muhammad Qasim	Member	Non-Executive Director
3)	Ms. Nazia Azam	Member	Independent Director
4)	Syed Rehan Ahmad Hashmi	Member	Chief Financial Officer - Representing Management

Risk Management Committee

	Name of Members	Status	Category
1)	Mr. Shahid Aziz	Chairman	Non-Executive Director
2)	Haji Khuda Bux	Member	Executive Director
3)	Mr. Ghulam Dastagir	Member	Non-Executive Director

ATTENDANCE OF THE BOARD OF DIRECTORS AND COMMITTEES**Attendance of the Board of Directors in Board Meetings**

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

S. No.	Name of Directors	Status	No. of Meetings Attended / Total Meetings held
1)	Mr. Ghulam Dastagir Rajar	Chairman	3/4
2)	Mr. Ghulam Hyder	Chief Executive	3/4
3)	Haji Khuda Bux Rajar	Director	4/4
4)	Mr. Rahim Bux	Director	4/4
5)	Mr. Shahid Aziz	Director	4/4
6)	Mr. M. Abdul Jabbar	Director	4/4
7)	Ms Nazia Azam	Director	4/4
8)	Mr. Muhammad Qasim	Director	4/4

Attendance of Members in Meetings of Audit Committee

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

S. No.	Name of Members	Status	No. of Meetings Attended / Total Meetings held
1)	Mr. Rahim Bux	Chairman	5/5
2)	Mr. Shahid Aziz	Member	5/5
3)	Mr. M. Abdul Jabbar	Member	5/5

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

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

S. No.	Name of Members	Status	No. of Meetings Attended / Total Meetings held
1)	Mr. Rahim Bux	Chairman	2/2
2)	Mr. Ghulam Hyder	Member	2/2
3)	Mr. M. Abdul Jabbar	Member	2/2

Attendance of Members in Meetings of Information Technology Committee

Two meetings of Information Technology Committee were held during the year. Leave of absence was granted to the Member unable to attend the meeting. Attendance by each Member was as mentioned below:

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

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

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

S. No.	Name of Members	Status	No. of Meetings Attended / Total Meetings held
1)	Mr. Ghulam Dastagir Rajar	Chairman	2/2
2)	Mr. Muhammad Qasim	Member	2/2
3)	Ms. Nazia Azam	Member	2/2
4)	Syed Rehan Ahmad Hashmi	Member	2/2

Attendance of Members in Meetings of Risk Management Committee

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

S. No.	Name of Members	Status	No. of Meetings Attended / Total Meetings held
1)	Mr. Shahid Aziz	Chairman	2/2
2)	Haji Khuda Bux Rajar	Member	2/2
3)	Mr. Ghulam Dastagir Rajar	Member	2/2

BOARD EVALUATION

Complying with the Code of Corporate Governance, the Board approved "Self-Evaluation Mechanism" for evaluation of performance of the Board, its directors and committees through discussion and questions focusing on the Board's scope, objectives, functions, responsibilities, the Company's performance and monitoring. The purpose of the evaluation is to ensure that the Board's performance is measured with reference to overall corporate objectives, governance structure of the Company, statutory & regulatory compliance, communication and information, risk management, strategic planning, implementation of policies and relationship with stakeholders.

DIRECTOR'S TRAINING

The Company is fully aware of the requirements of the Code of Corporate Governance. A formal program has been conducted which primarily includes amongst other things giving briefings relating to the Company's Vision and Strategies, organizational structure, role and responsibilities and powers of the Directors as per the Companies Act including the Code of Corporate Governance and any other regulatory laws applicable in Pakistan. As at the year end, one Director was exempt and other seven Directors were duly Certified. Subsequently, after election of Directors on November 2, 2023, one Director of the Company has the prescribed education and experience and he is exempted from Director's Training Program pursuant to the Code of Corporate Governance Regulations. The following are the details of Directors who are duly Certified or exempted from Directors' Training Program:

1.	Mr. Ghulam Dastagir Rajar	- Certified
2.	Mr. Ghulam Hyder	- Certified
3.	Mr. Muhammad Qasim	- Certified
4.	Mr. M. Abdul Jabbar	- Certified
5.	Haji Khuda Bux Rajar	- Exempted

Further, Mr. Mehmood Alam and Ms. Misbah were elected on November 02, 2023 and they will attend and complete the Directors' Training Program in due course of time, as allowed by the Regulations.

CHIEF EXECUTIVE OFFICER'S (CEO) PERFORMANCE REVIEW

Each year the Board establishes a list of goals and strategies aligned to achieve the mission of the Company. This helps in assessing how each objective is contributing towards the growth of the Company. The factors to be evaluated are adherence to the mission, long and short term objectives, ensuring long term profitability, increasing shareholder's value and ensuring good governance and statutory reporting. In addition, a separate evaluation questionnaire for Chief Executive Officer has also been developed for his performance. The performance evaluation of the CEO is carried out by all the Directors.

ROLE OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER (CEO)

The role of the Chairman and the Chief Executive Officer are segregated and they have distinct responsibilities and has been informed at the time of appointments.

Chairman acts as custodian of the Company on behalf of the Board and Stakeholders. He heads the Board of Directors and is responsible for ensuring the Board's effectiveness. The Chairman ensures the development of business and protection of goodwill of the Company. The Chairman also controls all meeting procedures and processes, guiding discussion and decision making along with enhancing relations with members and staff.

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

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Management of the Company is responsible for establishing and maintaining a system of adequate internal controls and procedures. The Company has developed a sound mechanism for identification of risks, assigning levels and devising effective mitigating measures where required while ensuring their implementation by the Management across all functions.

The Board assumes the overall responsibility of overseeing the internal control process, including its effectiveness. These controls are documented, responsibility is assigned and are monitored. The Internal Audit function also assists the Management to achieve reasonable assurance in terms of reliability and integrity of the Company's financial and operational information, effectiveness in Company's operation to achieve desired results, safeguarding of Company's assets and Compliance of Company's actions with the relevant laws and regulations.

Further, the Directors confirm that the compliance with highest standard of Corporate Governance and comprehensive policies and procedures on internal financial controls has been approved by the Board and are in place and have been effectively implemented and monitored.

THRESHOLD FOR DETERMINING EXECUTIVE

Pursuant to the requirement of Clause 5.6.4 of the Listing Regulations (Rule Book) of the Pakistan Stock Exchange, the Board has set out a Threshold for determining an 'Executive' in respect of trading of Company's shares. The person whose annual basic salary exceeds Rs. 2,400 thousand during the year is treated as "Executive".

RELATED PARTY TRANSACTIONS

The Code of Corporate Governance requires the Company to place before the Audit Committee and upon recommendation of the Audit Committee, place before the Board for consideration and approval. The Company has duly ensured compliance of this requirement and all the Related party transactions were placed before the Audit Committee and upon recommendation, approved by the Board. These transactions

were in-line with the requirements of International Financial Reporting Standards (IFRS) and the Companies Act, 2017. The Company maintains a thorough and complete record of all such transactions.

Remuneration of Chief Executive, Directors and Executives

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

Other Transactions

The Company in the normal course of business carried out transactions with Key Management Personnel (KMP) / related parties. The transactions reflect economic substance and are executed in the normal course of business and are disclosed in notes to the Financial Statements.

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

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

MATERIALITY APPROACH

The Board has given authority and powers to the Company's management for taking day to day decisions. The management, however, observes the approach of materiality in applying power and authority. Determining materiality levels is subjective and varied between organizations. Authorizations for transactions and delegation of powers have been define clearly and carried out through formalized process in the Company.

HUMAN RESOURCE MANAGEMENT & SUCCESSION PLANNING

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

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

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

CONFLICT OF INTEREST

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

seen to be made on proper grounds, for legitimate reasons and without bias. The Company has set the procedures to manage and monitor the conflict of interest.

Every Director is required to provide to the Board complete details regarding any material transaction which may bring conflict of interest with the Company for prior approval of the Board. The interested director(s) do not participate in the discussion neither they vote on such matters. The Director shall promptly notify or disclose to the Board any personal or outside interest, relationship or responsibility held by the director with respect to any potential or actual transaction, agreement or other matter which is or may be presented to the Board for consideration. The transactions with all the related parties are made on arms length basis and complete details are provided to the Board for their approval. Further, all the transactions with the related parties are fully disclosed in the financial statements of the Company.

IMPACT OF COMPANY'S BUSINESS ON ENVIRONMENT

It is the responsibility of the Company to make the environment healthy and clean. Therefore, the Company has made serious efforts and are installing equipment to reduce the pollution and making a good impact of Company's business on Environment. The Company has installed collection units to retrieve oil / grease e.t.c. from the waste water and ash collectors are also installed at the chimneys to absorb the ash. The Effluent treatment plant has been completed and has also conducted all environmental examination and is working hard to significantly reduce the consumption of water by increase in imbibition water temperature at Mill House, reactivation of cooling tower for vertical crystallizer, by this we are re-cycling water use for crystallizer cooling purposes. Intake of fresh water is minimized only to make up water loss due to evaporation. Process chemicals are prepared with condensate water in place of raw water.

Further, our Reverse Osmosis (RO) Plants helps meet our water requirements at the factory premises while reducing reliance on municipal water systems, thereby assisting in the reduction of water scarcity in Pakistan. The Company is considerable lighting load, initially all lights were high pressure sodium bulbs, we have started to replace bulbs with Light Emitting Diode (LED) helping us in energy savings. Variable Frequency Drives (VFDs) has been installed on various machines to reduce power consumption.

INVESTOR GRIEVANCE AND COMPLAINTS

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

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

Report of Sustainability and Corporate Social Responsibility is annexed with this report.

RISK MANAGEMENT & STRATEGY

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

The Company considers the following material risk:

Operational Risk

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

Market Risk

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

Foreign Exchange Risk

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

Credit Risk

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

Liquidity Risk

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

Interest Rate Risk

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

CAPITAL RESERVE

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

DIVIDEND & APPROPRIATION

Due to the marginal profit after huge losses of previous years, minimum cash flows and other circumstances already discussed, the Board of Directors of the Company in its meeting does not recommend any dividend and or appropriation for the year ended September 30, 2023.

CONTRIBUTION TO NATIONAL EXCHEQUER

The Company is contributing to the National growth by sharing its revenue with the nation in the form of taxes, rates and duties. The Company has accounted for in respect of contribution to National Exchequer in the form income taxes, sales tax and other levies amounting to Rs. 701,073 thousand during the year as compared to Rs. 773,853 thousand during the last year.

SUBSEQUENT EVENTS: RE-CONSTITUTED BOARD OF DIRECTORS AFTER ELECTION

The Shareholders of the Company in the Extra Ordinary General Meeting of the Company held on November 02, 2023 elected the following Seven Directors for the tenure of three years commencing from November 04, 2023: (1) Mr. Ghulam Dastagir Rajar (2) Haji Khuda Bux Rajar (3) Mr. M. Abdul Jabbar (4) Mr. Ghulam Hyder (5) Mr. Muhammad Qasim (6) Mr. Mehmood Alam (7) Ms. Misbah.

The Board in this meeting held on November 08, 2023 elected Mr. Ghulam Dastagir Rajar as the Chairman of the Board. The Board also appointed Mr. Ghulam Hyder as the Chief Executive of the Company and appointed Haji Khuda Bux Rajar as Working Director for next term of three years effective from November 04, 2023 as authorized by the Articles of Association of the Company on the remuneration, terms and conditions, as approved by the Board. Accordingly, the re-constituted Board of Directors from November 04, 2023 has the following composition:

	Name of Directors	Status	Category
1)	Mr. Ghulam Dastagir Rajar	Chairman	Non-Executive Director
2)	Mr. Ghulam Hyder	Chief Executive	Executive Director
3)	Haji Khuda Bux Rajar	Executive Director	Executive Director
4)	Mr. M. Abdul Jabbar	Independent Director	Non-Executive Director
5)	Mr. Mehmood Alam	Independent Director	Non-Executive Director
6)	Mr. Muhammad Qasim	Director	Non-Executive Director
7)	Ms. Misbah	Director	Non-Executive Director - Female

Re-constituted Audit Committee

The Board after election of Directors has re-constituted the Audit Committee effective from November 04, 2023 for the tenure of three years in order to comply with the provisions of the Code of Corporate Governance. Accordingly, the Board appointed three members of the Audit Committee having the following composition:-

	Name of Members	Status	Category
1)	Mr. M. Abdul Jabbar	Chairman	Independent Director
2)	Mr. Muhammad Qasim	Member	Non-Executive Director
3)	Mr. Mehmood Alam	Member	Independent Director

Re-constituted Human Resource & Remuneration Committee

The Board after election of Directors has reconstituted the Human Resource & Remuneration Committee (H.R. & R.) effective from November 04, 2023 for the tenure of three years in order to comply with the provisions of the Code of Corporate Governance. Accordingly, the Board appointed three members of the H.R. & R. Committee having the following composition:-

	Name of Members	Status	Category
1)	Mr. M. Abdul Jabbar	Chairman	Independent Director
2)	Mr. Ghulam Hyder	Member	Executive Director
3)	Ms. Misbah	Member	Non-Executive Director

Re-constituted Information Technology & Steering Committee

The Board after election of Directors has re-constituted the Information Technology & Steering (IT & S) Committee effective from November 04, 2023 for the tenure of three years in order to comply with the provisions of the Code of Corporate Governance. Accordingly, the Board appointed three members of the IT & S Committee having the following composition:-

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

Re-constituted Corporate Social Responsibility Committee

The Board after election of Directors has re-constituted the Corporate Social Responsibility (CSR) Committee effective from November 04, 2023 for the tenure of three years in order to comply with the provisions of the Code of Corporate Governance. Accordingly, the Board appointed four members of the CSR Committee having the following composition:-

	Name of Members	Status	Category
1)	Mr. Ghulam Dastagir	Chairman	Non-Executive Director
2)	Mr. Muhammad Qasim	Member	Non-Executive Director
3)	Ms. Misbah	Member	Non-Executive Director
4)	Syed Rehan Ahmad Hashmi	Member	Chief Financial Officer - Representing Management

Re-Constituted Risk Management Committee

The Board after election of Directors has re-constituted the Risk Management (RM) Committee effective from November 04, 2023 for the tenure of three years in order to comply with the provisions of the Code of Corporate Governance. Accordingly, the Board appointed three members of the RM Committee having the following composition:-

	Name of Members	Status	Category
1)	Mr. Mehmood Alam	Chairman	Non-Executive Director
2)	Haji Khuda Bux	Member	Executive Director
3)	Mr. M. Abdul Jabbar	Member	Independent Director

FUTURE PROSPECTS

The Company is paying prices of sugarcane to cane growers as per the minimum price announced by the Government of Sindh, which has been increased from Rs. 302 for the season 2022-23 to Rs. 425 for the season 2023-24 which represents 40.73% increased in minimum price of sugar cane, which results in an increase in the overall cost of production. Currently, the selling prices of sugar are not in line with the cost of production and also the selling price of sugar has not been increased in the same proportion of the minimum price of cane, which will affect the margin of profitability of the Company and the sugar industry as a whole. We expect that the selling price of sugar will remain in-line with the average cost of Production to save the industry from losses.

As reported previously, the matter related to the subsidy receivable from the Provincial Government, the Honorable High Court of Sindh passed the judgment/order in favor of the Company and the petitions stand disposed off with the directions to the Finance Department, Government of Sindh to re-allocate funds in the forthcoming budget and make payment to Sugar Mills within the first quarter of forthcoming financial year and this decision will give benefit of positive cash flows to the Company.

Strategies are in place and are regularly reviewed to ensure that the Company stays on the path of growth and progress. The focus is on stringent controls on the cost of production mainly through modernizing and replacement of old machines, lesser interruptions, abnormal wastages, process improvements, energy savings and high savings in Baggasse consumption through availing and implementing various options and installing machineries. Adhering to the guidelines and SOPs necessary to ensure the health and safety of human resources, we are optimistic that the Company's performance will sustain and further improve in terms of revenue, profits and liquidity positions.

AUDITORS

The present Auditors M/s. Kreston Hyder Bhimji & Co. Chartered Accountants, retire at the conclusion of forthcoming Annual General Meeting and being eligible, have offered themselves for re-appointment. As suggested by the Audit Committee in terms of the Code of Corporate Governance, the Board of Directors has recommended their appointment as Auditors of the Company for the year ending September 30, 2024.

ACKNOWLEDGEMENT

Your Directors appreciate and wish to place on record their appreciation for devotion of duty, loyalty and hard work of the executives, officers, staff members and workers for smooth running of the Company's affair and hope that they will continue for enhancement of productivity with great zeal and spirit under the blessings of Almighty Allah.

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

For & on Behalf of the Board

Ghulam Dastagir Rajar
Chairman

Ghulam Hyder
Chief Executive Officer

Karachi: December 18, 2023

آڈیٹرز

موجودہ آڈیٹرز میسرز کریسٹن حیدر بھیجی اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس آئینڈ سٹوڈنٹس منعقد کئے جانے والے سالانہ عام اجلاس تک ریٹائر ہونے جارہے ہیں اور انہوں نے اپنی اہلیت کی بنیاد پر ایک مرتبہ پھر اپنی خدمات کو پیش کرنے کا ارادہ ظاہر کیا ہے۔ کارپوریٹ گورننس کے قواعد کے تحت، آڈٹ کمیٹی کی جانب سے سفارش کے بعد بورڈ آف ڈائریکٹرز نے بھی انکی دوبارہ تعیناتی کی سفارش کر دی ہے کہ انہیں مالی سال 30 ستمبر 2024 کیلئے بطور کمپنی آڈیٹرز تعینات کر لیا جائے۔

اظہار تشکر

آپکی کمپنی کے ڈائریکٹرز تمام منتظمین، افسران، اسٹاف ممبران اور دیگر ملازمین کی جانب سے کمپنی کے معاملات کو مستعد انداز سے چلانے کیلئے انکے اخلاص، ایمانداری اور محنت کیلئے تہہ دل سے ان کے مشکور ہیں۔ ڈائریکٹرز امید کرتے ہیں کہ مستقبل میں بھی میں ان کی جانب سے کمپنی پیداواریت میں اضافے کیلئے اسی جوش و جذبے کا مظاہرہ کیا جائے گا اور اللہ رب العزت کی رحمت ہمارے شامل حال رہے گی۔

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

برائے منجانب بورڈ

غلام حیدر
چیف ایگزیکٹو آفیسر

غلام دستگیر راجڑ
چیرمین

کراچی: 18 دسمبر 2023ء

ممبران کے نام	عہدہ	اقسام
(1) جناب غلام ذنگیر راہڑ	چیئر مین	غیر انتظامی ڈائریکٹر
(2) جناب محمد قاسم	ممبر	غیر انتظامی ڈائریکٹر
(3) محترمہ مصباح	ممبر	غیر انتظامی ڈائریکٹر
(4) سید ریحان احمد ہاشمی	ممبر	چیف فنانشل آفیسر - نمائندہ انتظامیہ

رسک مینجمنٹ کی کمیٹی مابعد تشکیل نو

ڈائریکٹرز کے انتخابات کے بعد بورڈ کی جانب سے رسک مینجمنٹ کی کمیٹی کی تشکیل نو کی گئی ہے، کمیٹی کا انتخاب اگلے تین سال کیلئے کیا گیا ہے جس کا آغاز مورخہ 4 نومبر 2023 سے ہوگا جو کہ کوڈ آف کارپوریٹ گورننس کے قواعد کے عین مطابق ہے۔ لہذا بورڈ کی جانب سے رسک مینجمنٹ کی کمیٹی کیلئے تین ممبران کا انتخاب کیا گیا ہے جو کہ ذیل میں مذکور ہیں:

ممبران کے نام	عہدہ	اقسام
(1) جناب محمود عالم	چیئر مین	غیر انتظامی ڈائریکٹر
(2) حاجی خدا بخش راہڑ	ممبر	انتظامی ڈائریکٹر
(3) جناب ایم عبدالجبار	ممبر	غیر جانبدار ڈائریکٹر

مستقبل کا جائزہ

کمپنی نے حکومت سندھ کی طرف سے اعلان کردہ کم از کم قیمت کے مطابق گنے کے کاشتکاروں کو گنے کی قیمتیں ادا کی ہیں، جو کہ گزشتہ سال (2022-23) کی کم از کم قیمت 302 روپے سے بڑھا کر مالی سال 2023-24 کیلئے 425 روپے کر دی گئی ہے یعنی گنے کی کم از کم قیمت میں %40.73 کا اضافہ کر دیا گیا ہے جس کے نتیجے میں پیداوار کی مجموعی لاگت میں اضافہ ہوا ہے۔ فی الحال چینی کی قیمت فروخت پیداواری لاگت کے مطابق نہیں ہے جس سے کمپنی اور مجموعی طور پر شوگر انڈسٹری کے منافع پر منفی اثرات مرتب ہونگے۔ ہم توقع کرتے ہیں کہ چینی کی قیمت فروخت کو پیداوار کی اوسط لاگت کے مطابق رہے گی تاکہ صنعت کو نقصان سے بچایا جاسکے۔

جیسا کہ پہلے بھی رپورٹ کیا جا چکا ہے، سبسڈی سے متعلق صوبائی حکومت سے واجب الوصول رقم سے متعلق معاملے میں معزز عدالت عالیہ سندھ نے کمپنی کے حق میں فیصلہ دے دیا ہے اور حکومت سندھ کے فنانس ڈپارٹمنٹ کو ہدایات کے بعد معاملہ نمٹایا جا چکا ہے جس کے مطابق آئندہ بجٹ میں حکومت کی جانب سے ان رقم کو دوبارہ مختص کیا جائے گا اور اگلے مالی سال کی پہلی سہ ماہی میں یہ رقم شوگر ملز کو دے دی جائے گی، اس فیصلے سے کمپنی کی نقد رقم کی ترسیل پر مثبت اثرات مرتب ہونگے۔

کمپنی متعلقہ حکمت عملی پر عمل پیرا ہے اور ان حکمت عملیوں پر گاہے بگاہے نظر ثانی بھی کی جاتی ہے تاکہ کمپنی نشوونما اور ترقی کے راستے پر گامزن رہے۔ کمپنی کی توجہ پیداواری لاگت کو کم زکم رکھنے پر مرکوز ہے اور یہ ہدف جدید ٹیکنالوجی کے حصول، پرانی مشینوں کی تبدیلی، کام میں کم از کم تعطل، غیر معمولی ضیاع سے حفاظت، طریق کار میں اصلاحات، انرجی کی بچت، مختلف اقدامات اور مشینری کی تنصیب سے راب کی کھپت میں بچت جیسے اقدامات بروئے کار لائے جا رہے ہیں۔ انسانی وسائل کی صحت اور حفاظت کی یقینی بنانے کیلئے لازمی ہدایات اور ایس او پیز پر عمل کیا جاتا ہے۔ ہم اس بات سے پر امید ہیں کہ کمپنی کی کارکردگی برقرار رہے گی اور بلحاظ آمدن، منافع اور نقد رقم کی ترسیل میں مزید بہتری پیدا ہوگی۔

آڈٹ کمیٹی مابعد تشکیل نو

ڈائریکٹرز کے انتخاب کے بعد بورڈ کی جانب سے آڈٹ کمیٹی کی تشکیل نو کی گئی جس کی مدت 4 نومبر 2023 سے شروع ہوگی اور کوڈ آف کارپوریٹ گورننس کے ضوابط کے مطابق اس کی مدت تین سال تک ہے۔ لہذا، بورڈ کی جانب سے آڈٹ کمیٹی میں تین ممبران کو تعینات کیا گیا ہے جس کا امتزاج ذیل میں پیش کیا جا رہا ہے۔

ممبران کے نام	عہدہ	اقسام
(1) جناب ایم عبدالجبار	چیئر مین	غیر جانبدار ڈائریکٹر
(2) جناب محمد قاسم	ممبر	غیر انتظامی ڈائریکٹر
(3) جناب محمود عالم	ممبر	غیر جانبدار ڈائریکٹر

انسانی وسائل و ادائیگیوں کی کمیٹی مابعد تشکیل نو

ڈائریکٹرز کے انتخابات کے بعد بورڈ کی جانب سے انسانی وسائل و ادائیگیوں کی کمیٹی کی تشکیل نو کی گئی ہے، کمیٹی کا انتخاب اگلے تین سال کیلئے کیا گیا ہے جس کا آغاز مورخہ 4 نومبر 2023 سے ہوگا جو کہ کوڈ آف کارپوریٹ گورننس کے قواعد کے عین مطابق ہے۔ لہذا بورڈ کی جانب سے انسانی وسائل و ادائیگیوں کی کمیٹی کیلئے تین ممبران کا انتخاب کیا گیا ہے جو کہ ذیل میں مذکور ہیں:

ممبران کے نام	عہدہ	اقسام
(1) جناب ایم عبدالجبار	چیئر مین	غیر جانبدار ڈائریکٹر
(2) جناب غلام حیدر	ممبر	انتظامی ڈائریکٹر
(3) محترمہ مصباح	ممبر	غیر انتظامی ڈائریکٹر

انفارمیشن ٹیکنالوجی و اسٹیرنگ کمیٹی مابعد تشکیل نو

ڈائریکٹرز کے انتخابات کے بعد بورڈ کی جانب سے انفارمیشن ٹیکنالوجی و اسٹیرنگ کمیٹی کی تشکیل نو کی گئی ہے، کمیٹی کا انتخاب اگلے تین سال کیلئے کیا گیا ہے جس کا آغاز مورخہ 4 نومبر 2023 سے ہوگا جو کہ کوڈ آف کارپوریٹ گورننس کے قواعد کے عین مطابق ہے۔ لہذا بورڈ کی جانب سے انفارمیشن ٹیکنالوجی و اسٹیرنگ کمیٹی کیلئے تین ممبران کا انتخاب کیا گیا ہے جو کہ ذیل میں مذکور ہیں:

ممبران کے نام	عہدہ	اقسام
(1) جناب غلام حیدر	چیئر مین	انتظامی ڈائریکٹر
(2) سید ریحان احمد ہاشمی	ممبر	چیف فنانشل آفیسر
(3) جناب شیراز خان	ممبر	مینجیر مینجمنٹ انفارمیشن سسٹم

کارپوریٹ معاشرتی ذمہ داری کی کمیٹی مابعد تشکیل نو

ڈائریکٹرز کے انتخابات کے بعد بورڈ کی جانب سے کارپوریٹ معاشرتی ذمہ داری کی کمیٹی کی تشکیل نو کی گئی ہے، کمیٹی کا انتخاب اگلے تین سال کیلئے کیا گیا ہے جس کا آغاز مورخہ 4 نومبر 2023 سے ہوگا جو کہ کوڈ آف کارپوریٹ گورننس کے قواعد کے عین مطابق ہے۔ لہذا بورڈ کی جانب سے کارپوریٹ معاشرتی ذمہ داری کی کمیٹی کیلئے چار ممبران کا انتخاب کیا گیا ہے جو کہ ذیل میں مذکور ہیں:

کیپٹل ریزرو

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

تقسیم منافع (ڈیویڈنڈ)

گزشتہ سال کے بڑے نقصانات کے بعد اس سال کا کم منافع ہونے کی وجہ سے، نقد رقوم کی ترسیل اور دیگر حالات کی وجہ سے بورڈ آف ڈائریکٹرز کی جانب سے مالی سال اختتامیہ 30 ستمبر 2023 کیلئے کسی بھی منافع کی تقسیم کی سفارش نہیں کی گئی۔

قومی خزانے میں کمپنی کا حصہ

وطن عزیز کی ترقی میں اپنا حصہ ملانے کیلئے کمپنی کی جانب سے قومی خزانے میں ٹیکسوں، ریٹس اور ڈیویڈنڈ کی مدد میں رقوم جمع کرائی جاتی ہیں۔ زیر نظر مالی سال کے دوران کمپنی کی جانب سے ٹیکسوں، سیلز ٹیکس اور دیگر لیویز کی مدد میں 701,073 ہزار روپے قومی خزانے میں جمع کروائے گئے جبکہ گزشتہ سال اسی عرصے کے دوران انہی مدد میں کمپنی کی جانب سے 773,853 ہزار روپے قومی خزانے میں جمع کروائے گئے تھے۔

مابعد واقعات: انتخابات کے بعد بورڈ آف ڈائریکٹرز بورڈ امتزاج میں تبدیلی۔

مؤرخہ 2 نومبر 2023 کو منعقد کئے جانے والے غیر معمولی اجلاس عام میں کمپنی کے حصص داران کی جانب سے درج ذیل سات ڈائریکٹروں کو تین سال کے عرصے کیلئے منتخب کیا گیا ہے: (1) جناب غلام دستگیر راجڑ (2) حاجی خدا بخش راجڑ (3) جناب ایم عبدالجبار (4) جناب غلام حیدر (5) جناب محمد قاسم (6) جناب محمود عالم (7) محترمہ مصباح۔

بورڈ کی جانب سے 8 نومبر 2023 کو منعقد کئے جانے والے اپنے اجلاس میں جناب غلام دستگیر راجڑ کو بورڈ کا چیئر مین منتخب کیا گیا ہے اور بورڈ کی جانب سے جناب غلام حیدر کو کمپنی کا چیف ایگزیکٹو اور حاجی خدا بخش راجڑ کو ونگ ڈائریکٹر منتخب کیا گیا ہے یہ انتخابات اگلے تین سال کیلئے عمل میں لائے گئے ہیں جن کی مدت 4 نومبر 2023 سے شروع ہوتی ہے جو کہ کمپنی کے آرٹیکلز آف ایسوسی ایشن کی جانب سے مشاہرے اور شرائط و ضوابط کے تحت ہیں جن کی منظوری بورڈ کی جانب سے دی جا چکی ہے۔ لہذا 4 نومبر 2023 سے بورڈ آف ڈائریکٹرز کا نیا امتزاج ذیل میں پیش کیا جا رہا ہے:

ڈائریکٹروں کے نام	عہدہ	اقسام
(1) جناب غلام دستگیر راجڑ	چیئر مین	غیر انتظامی ڈائریکٹر
(2) جناب غلام حیدر	چیف ایگزیکٹو	انتظامی ڈائریکٹر
(3) حاجی خدا بخش راجڑ	ایگزیکٹو ڈائریکٹر	انتظامی ڈائریکٹر
(4) جناب ایم عبدالجبار	غیر جانبدار ڈائریکٹر	غیر انتظامی ڈائریکٹر
(5) جناب محمود عالم	غیر جانبدار ڈائریکٹر	غیر انتظامی ڈائریکٹر
(6) جناب محمد قاسم	ڈائریکٹر	غیر انتظامی ڈائریکٹر
(7) محترمہ مصباح	ڈائریکٹر	غیر انتظامی ڈائریکٹر - خاتون

کاروباری افعال سے متعلق رسک

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

مارکیٹ رسک

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

غیر ملکی زرمبادلہ کارسک

زیر نظر مالی سال کے اختتام پر کمپنی کو غیر ملکی زرمبادلہ کے رسک سے براہ راست کوئی واسطہ نہیں پڑا اور دوران سال کمپنی کو اس قسم کے رسک کا سامنا رہا، جو کہ چینی کے درآمد کی وجہ سے تھا۔

قرضوں کا رسک

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

لیکچو ڈیٹی رسک

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

سود سے متعلق رسک

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

سائے مکمل تفصیلات رکھی جاتی ہیں۔ علاوہ ازیں متعلقہ پارٹیوں کے ساتھ لین دین کے تمام معاملات کی تفصیلات کو مالیاتی دستاویزات کے متعلقہ نوٹس میں بھی درج کر دیا جاتا ہے۔

ماحولیات پر کمپنی کے کاروبار کا اثر

کمپنی کی یہ ذمہ داری ہے کہ ماحول کو صحت افزا اور صاف رکھے۔ لہذا کمپنی کی جانب سے ہر ممکن کوشش کی گئی ہے کہ ماحول کو صاف ستھرا رکھا جائے اور اس سلسلے میں اس قسم کی آلات نصب کئے گئے ہیں جن کی بدولت آلودگی کو کم کرنے میں مدد ملتی ہے تاکہ کمپنی کے کاروباری افعال سے ماحولیات متاثر نہ ہو۔ کمپنی کی جانب سے کلکیشن یوٹس کا قیام عمل میں لایا گیا جو خارج شدہ پانی سے تیل یا گریس کو علیحدہ کرنے کا کام کرتے ہیں اور چینیوں پر رکھ کر جمع کرنے والے ایسے آلات نصب کئے گئے ہیں جن کی وجہ سے رکھ فضائی آلودگی کا باعث نہیں بنتی۔ نیز فضلے کیلئے ایک ٹریٹمنٹ پلانٹ کو مکمل کیا جا چکا ہے اور اسے اثاثوں شامل کیا جا چکا ہے۔ پانی کے مصارف میں خاطر خواہ کمی لائی گئی ہے، جس کیلئے امبائیشن وارٹر پمپ کو مل ہاؤس میں بڑھایا جاتا ہے، ورٹیکل کرسٹلائزر کیلئے کولنگ ٹاور کی ری ایکٹیویشن کرے تاکہ کرسٹلائزر کو لنگ کیلئے پانی کی ری سائیکلنگ کی جاتی ہے۔ تازہ پانی کے استعمال کو کم از کم کیا جاتا ہے اور تازہ پانی کو صرف اس وقت زیر استعمال لایا جاتا ہے جب بخارات بن جانے کی وجہ سے پانی ضائع ہو جائے۔ خام پانی کی جگہ پروسس کیمیکلز کو کنڈنسیٹ پانی میں تیار کیا جاتا ہے۔

علاوہ ازیں، ہمارے ریورس اوسموس (RO) پلانٹس فیکٹری میں ہماری پانی کی ضروریات کو پورا کر رہے ہیں تاکہ میونسپل واٹر سسٹم پر ہمارا انحصار کم از کم ہو اور پاکستان میں پانی کی کمی کے مسئلے کو حل کرنے میں مدد ملے۔ کمپنی لائٹس کے لوڈ کو بھی کم کرنے پر کام کر رہی ہے، اولاً تمام لائٹس ہائی پریشر سوڈیم بلب والی تھیں، جن کو لائٹ ایمینگ ڈائیوڈ (LED) سے تبدیل کرنے کا مرحلہ شروع ہو چکا ہے، تاکہ بجلی کی بچت ہو سکے۔ اب کئی مشینوں پر ویری ایبل فریکوئنسی ڈرائیوز (VFDs) کی تنصیب کی جا چکی ہے تاکہ توانائی کی بچت کیا جاسکے۔

سرمایہ کاروں کی شکایات اور مسائل

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

استحکام اور کارپوریٹ معاشرتی ذمہ داری

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

رسک مینجمنٹ اور حکمت عملی

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

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

معاملات کی اہمیت کا تعین

بورڈ کی جانب سے کمپنی کی انتظامیہ کو اس بات کا مجاز بنایا گیا ہے کہ روزمرہ کے معاملات کے فیصلے کرنے میں خود مختار ہیں۔ تاہم مینجمنٹ کی جانب سے اپنے اختیار کو استعمال کرتے وقت اہمیت کے قاعدے کو مد نظر رکھا جاتا ہے۔ معاملات کی اہمیت کا تعین ایک غیر معروضی عمل ہے اور اس سلسلے میں ایک سے دوسرے ادارے کے مابین تفاوت پایا جاتا ہے۔ معاملات طے کرنے کی مجازیت اور انتقال اختیار کی واضح طور پر تعریف کر دی گئی ہے اور ان معاملات کیلئے کمپنی میں ایک واضح اور جامع نظام موجود ہے۔ کمپنی میں معاملات کی اہمیت کے تعین کیلئے ہر سال نظر ثانی کرنے کے بعد اس کی معقولیت کا تعین معروضی حالات کے تحت کیا جاتا ہے۔

انسانی وسائل کے بندوبست اور جانشینی سے متعلق منصوبہ بندی

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

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

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

مفادات کا کلکراؤ

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

تمام ڈائریکٹروں پر لازم ہے کہ بورڈ کو لین دین کے اہم معاملات سے آگاہ رکھیں جن کی وجہ سے مفادات کا کلکراؤ ہو سکتا ہو تاکہ اس سلسلے میں بورڈ کی منظوری حاصل کی جاسکے۔ مفادات کے حامل ڈائریکٹر/ڈائریکٹر اس قسم کے بحث و مباحث میں حصہ نہیں لیتے نہ وہ اس سلسلے میں ووٹ دیتے ہیں۔ متعلقہ پارٹیوں کے ساتھ اس قسم کی لین دین کیلئے شفافیت کو ممکن بنانے کیلئے ہر ممکن اقدامات اٹھائے جاتے ہیں اور بورڈ سے منظوری حاصل کرنے کیلئے بورڈ کے

علاوہ ازیں، ڈائریکٹرز اس بات کی توثیق کرتے ہیں کہ کارپوریٹ گورننس کے اعلیٰ معیارات کی پاسداری کرتے ہوئے اندرونی مالیاتی کنٹرول سے متعلق جامع پالیسیوں اور طریق ہائے کار کی رعایت رکھتے ہوئے بورڈ کی جانب سے ایک مربوط نظام کی منظوری دی جا چکی ہے، یہ نظام کمپنی میں نافذ العمل ہے اور مؤثر انداز سے اس کی مسلسل نگرانی کی جاتی ہے۔

ایگزیکٹو کے تعین کا معیار

سٹیٹنگ ریگولیشنز (رول بک) آف پاکستان اسٹاک ایکسچینج کی شق 5.6.4 کے تحت کمپنی کی جانب سے ایگزیکٹو کے تعین کیلئے نظر ثانی کے بعد ایک معیار مقرر کر دیا گیا ہے تاکہ حصص کی خرید و فروخت سے متعلق کسی بھی ابہام کو رفع کیا جاسکے۔ ہر وہ شخص جس کی سالانہ بنیادی تنخواہ دوران سال 2400 ہزار سے تجاوز کر جائے کو ایگزیکٹو مانا جائے گا۔

متعلقہ پارٹیوں سے لین دین

کوڈ آف کارپوریٹ گورننس کے اصولوں کے مطابق کمپنی پر لازم ہے کہ متعلقہ پارٹیوں سے لین دین کے معاملات کو آڈٹ کمیٹی کے سامنے پیش کرے اور آڈٹ کمیٹی کی سفارش کے ساتھ ان معاملات کو منظوری کیلئے بورڈ کے سامنے پیش کیا جاتا ہے۔ کمپنی کی جانب سے اس اصول کی پاسداری کو یقینی بنایا گیا ہے، متعلقہ پارٹیوں سے لین دین کے معاملے میں تمام معاملات کو آڈٹ کمیٹی کے سامنے پیش کیا گیا اور کمیٹی کی سفارش سے بورڈ کے سامنے منظوری کیلئے پیش کیا گیا اور بورڈ سے باقاعدہ ان کی منظوری حاصل کی گئی۔ لین دین کے یہ معاملات انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز (آئی ایف آر ایس) اور کمپنیز ایکٹ 2017 کے قواعد کے عین مطابق ہیں۔ کمپنی کی جانب سے اس قسم کے تمام معاملات کا باقاعدہ ریکارڈ رکھا جاتا ہے۔

چیف ایگزیکٹو، ڈائریکٹروں اور ایگزیکٹو کے مشاہرے

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

لین دین کے دیگر معاملات

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

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

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

چیف ایگزیکٹو کی کارکردگی کا جائزہ

ہر سال بورڈ کی جانب سے اہداف اور حکمت عملیوں کی ایک فہرست تیار کی جاتی ہے جسے کمپنی کے مشن کے عین مطابق مرتب کیا جاتا ہے۔ اس فہرست کے مرتب کئے جانے سے یہ جانچنا آسان ہو جاتا ہے کہ کمپنی کے تمام مقاصد فرداً فرداً کس طرح کمپنی کی نشوونما میں اپنا کردار ادا کر رہے ہیں۔ جن عناصر کی جانچ بہت ضروری ہے ان میں مشن سے وابستگی، قلیل المیعاد و طویل المیعاد مقاصد، طویل المدتی تناظر میں منفعت کو یقینی بنانا، گورننس کے اعلیٰ معیاروں کی پاسداری کرنا اور قواعد کے مطابق رپورٹنگ کرنا شامل ہیں۔ علاوہ ازیں، چیف ایگزیکٹو آفیسر کیلئے الگ سے ایک سوالنامہ برائے جانچ مرتب کیا گیا ہے تاکہ ان کی کارکردگی کا جائزہ لیا جاسکے۔ چیف ایگزیکٹو آفیسر کی کارکردگی کا جائزہ تمام ڈائریکٹرز کی جانب سے لیا جاتا ہے۔

چیمبر مین اور چیف ایگزیکٹو آفیسر کا کردار

چیمبر مین اور چیف ایگزیکٹو آفیسر کا عہدہ الگ الگ شخصیات کے پاس ہے جیسا کہ ان کی ذمہ داریاں نمایاں طور پر جدا جدا ہیں جن سے انھیں بوقت تعیناتی آگاہ کر دیا گیا ہے۔

بورڈ اور حصص داران کے ایما پر چیمبر مین کمپنی کے نگران کی حیثیت کے حامل ہوتے ہیں۔ آپ ہی بورڈ آف ڈائریکٹرز کی سربراہی کرتے ہیں اور بورڈ کی جانب سے مؤثر کارکردگی کیے ضامن بھی آپ ہی ہوتے ہیں۔ چیمبر مین پر یہ ذمہ داری عائد ہوتی ہے کہ اس بات کو یقینی بنائیں کہ کاروبار ترقی کرے، کاروبار کو تحفظ فراہم کیا جائے اور کمپنی کی ساکھ اپنی جگہ برقرار رہے۔ چیمبر مین تمام اجلاسوں کے طریق کار اور کاروائی کی نگرانی بھی کرتا ہے، تمام مباحث میں رہنمائی فراہم کرتا ہے، اور فیصلہ سازی کے ساتھ ساتھ ممبران اور اسٹاف کے مابین تعلقات بہتر بنانے میں اپنا کردار ادا کرتا ہے۔

سی ای او پر بھاری ذمہ داری عائد ہوتی ہے کہ کمپنی کے ویژن، مشن اور اس کے طویل المیعاد مقاصد کے حصول کیلئے جدوجہد کرتے رہیں۔ آپ بورڈ اور کمپنی کی انتظامیہ کے مابین ایک رابطے کا کردار بھی ادا کرتے ہیں۔ سی ای او کمپنی کے روزمرہ کے معاملات کو دیکھنے کے بھی مجاز ہیں اور کمپنی کے طویل المیعاد مقاصد اور منصوبوں کو پایہ تکمیل تک پہنچانا بھی ان کے فرائض منصبی میں شامل ہیں۔ سی ای او ہی حصص داران، سرکاری اداروں اور عوام الناس کے سامنے کمپنی کی نمائندگی کرتے ہیں۔ فیصلہ سازی اور اہداف کے حصول کے سلسلے میں آپ ایک رہنما کی حیثیت رکھتے ہیں۔

محقول اندرونی مالیاتی کنٹرول

کمپنی کی انتظامیہ اس بات کی ذمہ دار ہے کہ اندرونی طور پر کنٹرول کا ایک مربوط نظام مرتب کرے اور طریق ہائے کار کی وضاحت کرے۔ اس وقت کمپنی میں اندرونی مالیاتی کنٹرول کا ایک جامع اور مؤثر نظام نافذ العمل ہے جس کے تحت رسک اور اس کی شدت کی نشاندہی کی جاتی ہے، جہاں ضرورت پیش آئے رسک کو کم کرنے کیلئے اقدامات وضع کئے جاتے ہیں اور اس بات کو یقینی بنایا جاتا ہے کہ کمپنی کے تمام امور میں انتظامیہ ان اقدامات کو مؤثر انداز سے اٹھارکھنے میں کوئی کسر نا چھوڑے۔

بورڈ کی جانب سے اندرونی کنٹرول بشمول مؤثر کارکردگی پر مجموعی انداز سے نظر رکھنا بھی بورڈ کی ذمہ داریوں میں شامل ہے۔ ان کنٹرولز کو باقاعدہ دستاویزی شکل دی جاتی ہے، ذمہ داریوں کا تعین کیا جاتا ہے اور پھر ان کی نگرانی کی جاتی ہے۔ اندرونی آڈٹ فنکشن انتظامیہ کو اس سلسلے میں بھی مشاورت دیتا ہے کہ کمپنی مالیاتی اور آپریشنل انفارمیشن سسٹم کو زیادہ قابل بھروسہ اور شفاف بنانے کیلئے، کمپنی کے آپریشنز کو مزید مؤثر بنانے کی غرض سے، کمپنی کے اثاثوں کو نقصانات سے محفوظ رکھنے کیلئے اور موجود قوانین کے ساتھ کمپنی کی پالیسیوں میں ہم آہنگی پیدا کرنے کیلئے کیا اقدامات اٹھائے جاسکتے ہیں۔

کمیٹی برائے رسک مینجمنٹ کے اجلاسوں میں ممبران کی شرکت

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

نمبر شمار	ممبران کے نام	عہدہ	ممبران کے دورانے میں منعقد کئے گئے کل اجلاس / اجلاسوں میں حاضری
1	جناب شاہد عزیز	چیرمین	2/2
2	حاجی خدا بخش راجڑ	ممبر	2/2
3	جناب غلام دستگیر راجڑ	ممبر	2/2

بورڈ کی کارکردگی کی جانچ

کارپوریٹ گورننس کے ضوابط کے تحت بورڈ کی منظوری سے ایک خود احتسابی کا نظام عمل میں لایا گیا ہے تاکہ بورڈ اپنی کارکردگی کا جائزہ لے سکے۔ اس نظام کے تحت بورڈ، اس کے ڈائریکٹروں اور بورڈ کی کمیٹیوں کا بذریعہ مباحث، اور سوالات جائزہ لیا جانا مقصود ہے، ان مباحث اور سوالات کی توجہ بنیادی طور پر بورڈ کے دائرہ کار، مقاصد، افعال، ذمہ داریوں، کمپنی کی کارکردگی اور مانیٹرنگ کے نظام کی جانب ہوگی۔ جانچ کے اس نظام کا مقصد مجموعی کارپوریٹ مقاصد، کمپنی کے گورننس اسٹریکچر، قوانین اور ضوابط بابت پاسداری، کمیونیکیشن و انفارمیشن، رسک مینجمنٹ حکمت عملی و منصوبہ بندی، پالیسیوں کا نفاذ اور تمام شراکت داروں کے ساتھ تعاون جیسے امور کو مد نظر رکھتے ہوئے بورڈ کی کارکردگی کا جانچا جائے۔

ڈائریکٹروں کی تربیت

کمپنی کوڈ آف کارپوریٹ گورننس کے تحت عائد اپنی ذمہ داریوں سے بخوبی واقف ہے۔ ایک باقاعدہ پروگرام مرتب کیا گیا ہے جس میں دیگر امور کے ساتھ ساتھ کمپنی کے ویرن، حکمت عملی، انتظامی ڈھانچے کردار و ذمہ داریوں اور کمپنیز ایکٹ، کوڈ آف کارپوریٹ گورننس اور دیگر مروجہ قوانین جو پاکستان میں رائج ہیں کے تحت ڈائریکٹروں کو حاصل اختیارات پر بریفنگ دی جاتی ہے۔ مالی سال کے آخر میں بورڈ کے سات ڈائریکٹرز مصدقہ ڈائریکٹرز ہیں اور ایک ڈائریکٹر قواعد کے مطابق سرٹیفیکیشن سے مستثنیٰ ہے۔ اس کے بعد، کمپنی کے نئے منتخب ڈائریکٹرز جو کہ 2 نومبر 2023 کو منتخب ہوئے، جس میں کمپنی کے ایک ڈائریکٹر مطلوبہ اہلیت کے حامل ہیں اس لئے وہ کارپوریٹ گورننس کے ضوابط کے تحت تربیتی پروگرام میں شرکت سے مستثنیٰ ہیں۔ ذیل میں ان ڈائریکٹروں کے نام دیئے جا رہے ہیں جو ڈائریکٹرز ٹریننگ پروگرام کے تحت باقاعدہ سند یافتہ ہیں یا انھیں اس پروگرام سے استثناء حاصل ہے:

- 1- جناب غلام دستگیر راجڑ سند یافتہ
- 2- جناب غلام حیدر سند یافتہ
- 3- جناب محمد قاسم سند یافتہ
- 4- جناب عبدالجبار سند یافتہ
- 5- حاجی خدا بخش راجڑ مستثنیٰ

علاوہ ازیں جناب محمود عالم اور محترمہ مصباح کا انتخاب 2 نومبر 2023 کو عمل میں لایا گیا، ان دونوں کی جانب سے قواعد کے تحت طے شدہ عرصے کے اندر اندر ڈائریکٹرز پروگرام کے تحت ٹریننگ مکمل کر لی جائے گی۔

آڈٹ کمیٹی کے ممبران کی اجلاسوں میں حاضری

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

نمبر شمار	ممبران کے نام	عہدہ	ممبران کے دورانے میں منعقد کئے گئے کل اجلاس / اجلاسوں میں حاضری
1	جناب رحیم بخش	چیرمین	5/5
2	جناب شاہد عزیز	ممبر	5/5
3	جناب ایم عبدالجبار	ممبر	5/5

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

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

نمبر شمار	ممبران کے نام	عہدہ	ممبران کے دورانے میں منعقد کئے گئے کل اجلاس / اجلاسوں میں حاضری
1	جناب رحیم بخش	چیرمین	2/2
2	جناب غلام حیدر	ممبر	2/2
3	جناب ایم عبدالجبار	ممبر	2/2

انفارمیشن ٹیکنالوجی کمیٹی کے ممبران کی اجلاسوں میں شرکت

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

نمبر شمار	ممبران کے نام	عہدہ	ممبران کے دورانے میں منعقد کئے گئے کل اجلاس / اجلاسوں میں حاضری
1	جناب غلام حیدر	چیرمین	1/2
2	سید ریحان احمد ہاشمی	ممبر	2/2
3	جناب شیراز خان	ممبر	2/2

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

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

نمبر شمار	ممبران کے نام	عہدہ	ممبران کے دورانے میں منعقد کئے گئے کل اجلاس / اجلاسوں میں حاضری
1	جناب غلام دستگیر راجڑ	چیرمین	2/2
2	جناب محمد قاسم	ممبر	2/2
3	محترمہ نازیہ اعظم	ممبر	2/2
4	سید ریحان احمد ہاشمی	ممبر	2/2

کمٹی برائے کارپوریٹ معاشرتی ذمہ داری

اقسام	عہدہ	ڈائریکٹرز کے نام
غیر انتظامی ڈائریکٹر	چیئر مین	(1) جناب غلام دستگیر راجڑ
غیر انتظامی ڈائریکٹر	ممبر	(2) جناب محمد قاسم
آزاد ڈائریکٹر	ممبر	(3) محترمہ نازیہ اعظم
چیف فنانشل آفیسر - نمائندہ مینجمنٹ	ممبر	(4) سید ریحان احمد ہاشمی

کمٹی برائے رسک مینجمنٹ

اقسام	عہدہ	ڈائریکٹرز کے نام
غیر انتظامی ڈائریکٹر	چیئر مین	(1) جناب شاہد عزیز
انتظامی ڈائریکٹر	ممبر	(2) حاجی خدا بخش راجڑ
غیر انتظامی ڈائریکٹر	ممبر	(3) جناب غلام دستگیر راجڑ

بورڈ اور کمیٹیوں کے اجلاسوں میں بورڈ آف ڈائریکٹرز کی حاضری

بورڈ کے اجلاسوں میں ڈائریکٹرز کی حاضری

زیر نظر مالی سال کے دوران بورڈ کے چار اجلاس منعقد کئے گئے۔ ان اجلاسوں میں شرکت نا کرنے والے ڈائریکٹروں کو رخصت دے دی گئی تھی۔

تمام ڈائریکٹروں کی فرداً فرداً حاضری ذیل میں پیش کی جا رہی ہے:

نمبر شمار	ممبران کے نام	عہدہ	ممبران کے دورانے میں منعقد کئے گئے کل اجلاس / اجلاسوں میں حاضری
1	جناب غلام دستگیر راجڑ	چیئر مین	3/4
2	جناب غلام حیدر	چیف ایگزیکٹو	3/4
3	حاجی خدا بخش راجڑ	ڈائریکٹر	4/4
4	جناب رحیم بخش	ڈائریکٹر	4/4
5	جناب شاہد عزیز	ڈائریکٹر	4/4
6	جناب ایم عبدالجبار	ڈائریکٹر	4/4
7	محترمہ نازیہ اعظم	ڈائریکٹر	4/4
8	جناب محمد قاسم	ڈائریکٹر	4/4

ڈائریکٹرز کے انتخابات کے بعد بتاریخ 2 نومبر 2023 بورڈ آف ڈائریکٹرز کا امتزاج درج ذیل ہے:

قسم	عہدہ	ڈائریکٹرز کے نام
غیر انتظامی ڈائریکٹر	چیئرمین	(1) جناب غلام دستگیر راجڑ
انتظامی ڈائریکٹر	چیف ایگزیکٹو	(2) جناب غلام حیدر
انتظامی ڈائریکٹر	انتظامی ڈائریکٹر	(3) حاجی خدا بخش راجڑ
غیر انتظامی ڈائریکٹر	غیر جانبدار ڈائریکٹر	(4) جناب ایم عبدالجبار
غیر انتظامی ڈائریکٹر	غیر جانبدار ڈائریکٹر	(5) جناب محمود عالم
غیر انتظامی ڈائریکٹر	ڈائریکٹر	(6) جناب محمد قاسم
غیر انتظامی ڈائریکٹر - خاتون	ڈائریکٹر	(7) محترمہ مصباح

بورڈ کی کمیٹیاں

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

آڈٹ کمیٹی

قسم	عہدہ	ڈائریکٹرز کے نام
غیر جانبدار ڈائریکٹر	چیئرمین	(1) جناب رحیم بخش
غیر جانبدار ڈائریکٹر	ممبر	(2) جناب ایم عبدالجبار
غیر انتظامی ڈائریکٹر	ممبر	(3) جناب شاہد عزیز

کمیٹی برائے انسانی وسائل و ادائیگیاں

قسم	عہدہ	ڈائریکٹرز کے نام
غیر جانبدار ڈائریکٹر	چیئرمین	(1) جناب رحیم بخش
انتظامی ڈائریکٹر	ممبر	(2) جناب غلام حیدر
غیر جانبدار ڈائریکٹر	ممبر	(3) جناب ایم عبدالجبار

کمیٹی برائے انفارمیشن ٹیکنالوجی و اسٹیرنگ

قسم	عہدہ	ڈائریکٹرز کے نام
انتظامی ڈائریکٹر	چیئرمین	(1) جناب غلام حیدر
چیف فنانشل آفیسر	ممبر	(2) سید رحمان احمد ہاشمی
مینجنگ ڈائریکٹر انفارمیشن سسٹم	ممبر	(3) جناب شیراز خان

☆ کارپوریٹ گورننس کے سنہرے اصولوں کی پاسداری برائے لسڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 سے متعلق ایک بیان بھی روپورٹ ہذا کے ساتھ منسلک ہے۔

کارپوریٹ گورننس اور کارپوریٹ گورننس کے سنہرے اصولوں کی پاسداری

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

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

ڈائریکٹروں کی تعداد

ڈائریکٹروں کی کل تعداد درج ذیل ہے:

قبل از انتخابات ڈائریکٹرز	بعد از انتخابات ڈائریکٹرز
بمطابق 30 ستمبر 2023	بمطابق 2 نومبر 2023
الف) حضرات (7)	الف) حضرات (6)
ب) خاتون (1)	ب) خاتون (1)

بورڈ کا امتزاج

بورڈ کا امتزاج درج ذیل ہے:

ڈائریکٹرز کے انتخاب سے قبل بتاریخ 30 ستمبر 2023 بورڈ آف ڈائریکٹرز کا امتزاج درج ذیل ہے:

ڈائریکٹرز کے نام	عہدہ	اقسام
(1) جناب غلام دستگیر راجڑ	چیئرمین	غیر انتظامی ڈائریکٹر
(2) جناب غلام حیدر	چیف ایگزیکٹو	انتظامی ڈائریکٹر
(3) حاجی خدا بخش راجڑ	انتظامی ڈائریکٹر	انتظامی ڈائریکٹر
(4) جناب ایم عبدالجبار	غیر جانبدار ڈائریکٹر	غیر انتظامی ڈائریکٹر
(5) جناب رحیم بخش	غیر جانبدار ڈائریکٹر	غیر انتظامی ڈائریکٹر
(6) جناب شاہد عزیز	ڈائریکٹر	غیر انتظامی ڈائریکٹر
(7) جناب محمد قاسم	ڈائریکٹر	غیر انتظامی ڈائریکٹر
(8) محترمہ نازیہ اعظم	غیر جانبدار ڈائریکٹر	غیر انتظامی ڈائریکٹر - خاتون

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

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

☆ کمپنی کی جانب سے متعلقہ ریکارڈ کو باقاعدہ قواعد کے مطابق رکھنا توں میں درج کیا گیا ہے۔

☆ تمام مالیاتی دستاویزات کی تیاری کے سلسلے میں مناسب محاسبی پالیسیوں پر عمل کیا گیا ہے، نیز تمام مالیاتی تخمینے معقول اور قرین قیاس ہیں۔

☆ مالیاتی دستاویزات کی تیاری کے سلسلے میں پاکستان میں مستعمل بین الاقوامی محاسبی معیارات کی مکمل پاسداری کی گئی ہے اور اس سلسلے میں کسی قسم کی کوئی روگردانی نہیں کی گئی۔

☆ اندرونی طور پر کنٹرول کا نظام انتہائی منظم اور جامع ہے اور اسے مؤثر انداز سے نافذ کیا گیا ہے اور اس پر مکمل نظر رکھی جاتی ہے۔

☆ ایسی کوئی وجہ نظر نہیں آتی جس کی بنیاد پر کمپنی کو ختم کرنے سے متعلق کوئی سوال پیدا ہوتا ہو کہ کمپنی اپنا وجود برقرار رکھ پائے۔

☆ قواعد میں مزکور کارپوریٹ گورننس کی بہترین پالیسیوں سے کوئی ایسا انحراف نہیں کیا گیا جو کہ قابل غور ہو۔

☆ کمپنی کے مالیاتی نتائج سے متعلق گزشتہ دس سال کی اہم معلومات کا خلاصہ رپورٹ ہذا کے ساتھ منسلک ہے۔

☆ قانوناً کمپنی کو کوئی قابل ذکر ادائیگیاں نہیں کرنا پڑیں ماسوائے ان ادائیگیوں کے جو کہ کاروبار میں معمول کا حصہ ہیں جیسا کہ ٹیکس، لیویز اور دیگر چارجز وغیرہ جن کا ذکر مالیاتی دستاویزات کے اندر متعلقہ نوٹس میں کیا جا چکا ہے۔

☆ تمام مستقل اور اہلیت کے حامل ملازمین کیلئے کمپنی میں ایک غیر فنڈ شدہ گریجویٹ اسکیم جاری ہے اور اس کے علاوہ اہلیت پر پورے اترنے والے ملازمین کیلئے لیونکیشن اسکیم بھی موجود ہے جس کی ادائیگی ملازمین کو کمپنی سے ریٹائرمنٹ پر یا کمپنی چھوڑتے وقت کی جاتی ہے۔ تخمینے کی بنیاد پر ہر سال ذمہ داریوں سے نبرد آزما ہونے کی غرض سے پروویژن فراہم کیا جاتا ہے جس سے متعلق تمام تر معلومات کو رپورٹ ہذا کے نوٹس میں بیان کیا جا چکا ہے۔

☆ کمپنی کی بابت ترتیب حصص داری کی جدول کو بھی سالانہ رپورٹ کا حصہ بنایا گیا ہے۔

☆ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے مطابق کمپنی نے اس بات کو یقینی بنائے گی کہ بورڈ میں شامل تمام ڈائریکٹرز ڈائریکٹرز ٹریننگ پروگرام کے تحت سرٹیفیکیشن حاصل کر لیں۔ مالی سال کے آخر میں بورڈ کے سات ڈائریکٹرز مصدقہ ڈائریکٹرز ہیں اور ایک ڈائریکٹر قواعد کے مطابق سرٹیفیکیشن سے مستثنیٰ ہے۔ اس کے بعد نئے منتخب ڈائریکٹرز یعنی جناب غلام دستگیر راجڑ، جناب غلام حیدر، جناب ایم عبدالجبار اور جناب محمد قاسم سیکورٹیز اینڈ اینیچمنٹ کمیشن آف پاکستان کی جانب سے متعین کردہ انسٹیٹیوٹس / اداروں سے ڈائریکٹرز ٹریننگ پروگرامز کے تحت اپنی تربیت مکمل کر چکے ہیں۔ حاجی خدا بخش راجڑ اپنی تعلیم اور تجربے کی بنیاد پر قواعد کے مطابق اس تربیت سے مستثنیٰ ہیں۔ مزید برآں، جناب محمود عالم اور محترمہ مصباح مقررہ وقت میں ڈائریکٹرز ٹریننگ پروگرام کی تکمیل کر لیں گے جیسا کہ ریگولیشنز کے تحت اجازت دی گئی ہے، ان دونوں ڈائریکٹرز کو 2 نومبر 2023 کو منتخب کیا گیا تھا۔

☆ بورڈ کی جانب سے ہمہ وقت یہ کوششیں جاری رہتی ہیں کہ بورڈ اپنی اور اپنی کمیٹیوں کی کارکردگی میں بہتری پیدا کرے۔ بورڈ کی جانب سے کوڈ آف کارپوریٹ گورننس کے قواعد کے مطابق ایک ایسا نظام مرتب کیا گیا ہے جس کے تحت بورڈ اور اس کی کمیٹیوں کی کارکردگی کا سالانہ بنیادوں پر جائزہ لیا جاتا ہے۔ اس کے علاوہ کارپوریٹ گورننس کے میدان میں ہونے والی نئی تحقیق سے بھی بورڈ خود کو آگاہ رکھتا ہے تاکہ کمپنی بہترین روایات کی پاسداری کرتی رہے۔

☆ ہمارے بہترین علم کے مطابق کمپنی کے ڈائریکٹروں، چیف ایگزیکٹیو اور ان کے ازواج اور نابالغ بچوں کی جانب سے دوا رن سال کمپنی کے حصص میں کسی قسم کی کوئی اور لین دین نہیں کیا گیا ہے۔

مالیاتی نتائج اور ان کا جائزہ

کمپنی کے اہم ترین مالیاتی نتائج بابت مالی سال 30 ستمبر 2023 کا خلاصہ بمعہ تقابلی جائزہ بابت گزشتہ مالی سال ذیل میں پیش کیا جا رہا ہے:

2022	2023
70,466	132,451
68,857	27,568
1,609	104,883
0.13	8.78

منافع قبل از ٹیکس

ٹیکس

منافع بعد از ٹیکس

آمدن فی حصص بنیادی و تجلیلی (روپے)

دوران سال کمپنی کا منافع قبل از ٹیکس 132,451 ہزار روپے درج کیا گیا ہے جبکہ گزشتہ مالی سال کے دوران یہ منافع 70,466 ہزار روپے درج کیا گیا تھا۔ دوران سال ہم گنے کی پروکیورمنٹ کے سلسلے میں قرب و جوار کی ملوں کے مقابلے میں قیمتوں کی نجلی سطح کو قائم رکھنے میں کامیاب رہے، مگر گزشتہ مالی سال کے مقابلے اس سال گنے اور دیگر لاگت زیادہ تھی، آہستہ آہستہ قلیل المیعاد قرضوں پر انحصار کو کم کیا، تاہم ہماری جانب سے قلیل المیعاد کے قرضوں کی حدود میں گزشتہ مالی سال کے مقابلے تو وسیع حاصل کی گئی ہے اور مالی سال کے اختتام سے قبل ہی تمام قرضے چکا دیئے گئے، جس کے باعث تمویلی لاگت میں کمی واقع ہوئی ہے اور دوسری جانب طویل المیعاد قرضوں کی بھی بتدریج ادائیگی کی گئی تاکہ پیداواری لاگت کو کم از کم کیا جاسکے اور فراط میں ہوشربا اضافے کے باوجود پیداواری لاگت کو کم از کم سطح پر رکھا گیا۔

چینی کی بہتر قیمت فروخت کی وجہ سے مقامی طور پر چینی کی قیمت فروخت گزشتہ مالی سال کے مقابلے میں 19.23% زائد رہی جبکہ چینی کی کل فروخت میں گزشتہ مالی سال کے مقابلے میں 16.32% کمی واقع ہوئی ہے۔ ذیلی مصنوعات یعنی کہ راب کی فروخت بلحاظ قدر 23.44% زائد رہی جس کے باعث کمپنی کے منافع پر مثبت اثرات مرتب ہوئے جبکہ گزشتہ مالی سال کے مقابلے میں راب کی فروخت بلحاظ حجم 19.37% کم رہی۔ حکومت کی جانب سے منظور شدہ کوٹے کے تحت چینی کی برآمدات کی وجہ سے کمپنی کو قدرے نفع حاصل ہوا ہے جس کے باعث کمپنی کے مالیاتی نتائج بہتر رہے ہیں۔

آڈیٹروں کی رپورٹ پر اظہار رائے

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

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک سے متعلق بیان

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

ڈائریکٹرز رپورٹ

آپ کی کمپنی کے ڈائریکٹرانہائی مسرت کے ساتھ کمپنی کی اڑتیسویں (38th) سالانہ رپورٹ بمعہ آڈٹ شدہ مالیاتی دستاویزات بابت مالی سال 30 ستمبر 2023 آپ کی خدمت میں پیش کر رہے ہیں۔

بنیادی افعال کار

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

کاروباری نتائج اور ان کا جائزہ

2021 - 2022	2022 - 2023	
15-11-2021	25-11-2022	آغاز برائے سیزن
19-03-2022	17-02-2023	اختتام برائے سیزن
125	85	گنے کی پسائی کا دورانیہ - دنوں میں
581,109.556	406,402.792	گنے کی پسائی کی مقدار - میٹرک ٹن میں
4,648.88	4,781.21	اوسط پومیہ پسائی - میٹرک ٹن میں
61,785.00	41,711.225	چینی کی پیداوار - میٹرک ٹن میں
10.635	10.263	سکروز کی ریکوری - فیصد میں

آپ کی کمپنی نے 406,402.792 میٹرک ٹن گنے کی پسائی کی جبکہ گزشتہ مالی سال کے دوران گنے کی پسائی کی مقدار 581,109.556 میٹرک ٹن تھی اور اس طرح پسائی کی مد میں 30.06% کی کمی درج کی گئی ہے، اسی طرح 41,711.225 میٹرک ٹن چینی پیدا کی گئی جو کہ گزشتہ مالی سال کے دوران پیدا کی جانے والی چینی 61,785.00 میٹرک ٹن کے مقابلے میں 32.49% کم رہی۔ کمپنی کی جانب سے زیر نظر راب کی پیداوار 21,300 میٹرک ٹن رہی جو کہ گزشتہ سال کی پیداوار 26,291.340 میٹرک ٹن کے مقابلے میں 19.37% کم ہے۔

گنے کی پسائی اور چینی کی پیداوار دونوں ہی کم رہے جس کی وجہ گزشتہ مالی سال کے مقابلے میں گنے کی فصل کی کم پیداوار تھی، اس کے علاوہ سکروز کی ریکوری بھی کم ہے کیونکہ جس علاقے سے گنے کی پیداوار حاصل کی جاتی ہے وہاں آلودہ پانی کھڑا ہوا اور گنے کی غیر مستقل پسائی کی وجہ سے گنے کی دستیابی بھی کم رہی۔ زیر نظر سیزن آپ کی کمپنی سمیت پوری صنعت میں گزشتہ مالی سال کے بچے ہوئے اسٹاک ساتھ شروع ہوا۔ صوبہ سندھ میں گنے کی پسائی کی کمی کے باعث گنے کی پسائی کا آغاز 10 سے 15 دن تاخیر کا شکار ہوئی۔

Report on Corporate Social Responsibility

For the Year Ended September 30, 2023

Dear Members,

Being the Country's responsible corporate entity, Sanghar Sugar Mills Limited (the Company) gives back to society to help and build a sustainable tomorrow. As per Code of Conduct which confirm its commitment to respecting its fundamental human rights and treating employees, customers and all internal & external stakeholders with fairness, equality and respect in order to foster an open, transparent and trusting environment which is free from prejudice, discrimination, bias, harassment & violation.

The Company is playing an active role in supporting sustainable community and social development of Pakistan and its people. The Company believes in the creation of shared economic and social value across the country. This following Report updates the stakeholders about the steps taken by the Company to ensure compliance:

Education:

Sustainable Development Goal:

- Gender Equality
- Decent Work & Economic Growth
- Quality Education

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

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

The Education started from a single class room of Kindergarten with admission of 10 students. Now, grows up-to class 8th having total strength of 257 students, which includes male and female students and having strength of 16 teachers and staff appointed for the purpose of education in which 01 male and 13 female teachers. Out of 257 students, 94 students belongs to the Employee's families and rest are from families living nearby areas. The premises of education is having beautiful infrastructure, neat and clean environment with availability of all basic facilities within covered premises viz large size ventilated class rooms, computer lab, laboratory, playground, tuck shop and uninterrupted power supply. Main emphasis to run the school is to help poor people of the area, to encourage girl's education, to inspire students to internalize Islamic education in their social growth, attaining self-actualization. Education in remote areas is a big challenges specially those who are not able to afford the expenses of such a qualitative, modern education nearer to their door step. In addition to above, various events are being organized like Annual Sports Day, Parent's Day etc.

Medical & Health Care:

Sustainable Development Goal:

- Good Health & Well Being

The Company has made a significant contribution in Medical & Health Care. In this regards, physical along-with financial support was extended towards the treatment of eye diseases and treatment of blood diseases etc.

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

The Management has conducted "Annual Free Eye Camp" for two days. The Camp was held on February 01, 2023 and February 02, 2023 on the premises of the Factory. In free camp, checkup of over 1,050 outpatients were conducted and operations of 524 patients were conducted. The Operations were satisfactorily done including lenses replacements and fixation as per our past practice by the famous eye surgeons and their technicians. Before the launch of camp, an advertisement campaign was made through radio, cable, social media & pamphlets for the information of needy persons. Free pick and drop arrangement was made for the patients and caring persons from the areas of Sanghar, Perumal and Mirpurkhas division. Free arrangements of accommodation and food was arranged for patients, care takers, doctors and their staff. The whole camp was financed by the Company and as well as by the Executives personally.

The Company is contributing through financial donations to the "Kidney Dialysis Centre - Sanghar" as and when seems necessary. Further, one day free blood donation camp was organized by the Company on February 19, 2023 for Thalassaemia patients and contributed 82 bottles of blood by the employees and the people living surrounding areas.

Purified Drinking Water:

Sustainable Development Goal:

- Clean Water & Sanitation
- Good Health & Well Being

The Company continues to engage in supporting initiatives for water and environmental sustainability, both at business and at community level. The Company endeavors to continuously improve its processes and systems to reduce its water usage and also engages with the community and external institutions to support water and environmental initiatives. The Company focuses on water and environmental sustainability with;

- a) Continuous improvement in our processes and systems to reduce our water usage - each year has to be better than the previous.
- b) Community clean water supply schemes - Water filtration plants for communities living around us.

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

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

Community & Social Development:

Sustainable Development Goal:

- Zero Hunger
- No Poverty

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

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

The management prefers to hire from local communities in the surrounding areas in order to generate / upgrade livelihoods and the major focus is on education, health and welfare for the underprivileged particularly in that areas.

Support the families and provide basic food, the Company along with the coordination of Deputy Commissioner (Sanghar), the Company has placed a Sugar Sale Stall in Ramzan Bachat Bazar (Sanghar) and gave two k.g. sugar bag to common people of Sanghar @ Rs. 95.00 per k.g. while at that time the retail price of sugar was Rs. 125.00 per k.g.

Tree Plantation:

Sustainable Development Goal:

- Sustainable Cities and Communities
- Life on Land
- Climate Change

Tree plantation is part of our main project of CSR activities. The Company has established green house at the premises of Factory where we have facilities to grow the plants and research on them based on the local

atmosphere of Sanghar. We have planted several trees in the premises of Factory and nearby areas and distribute amongst the staff to plant them, at their living areas to make environment clean and green.

The Company's Goal is to plant 5,000 trees in 2023-25 and over 1,500 plants have been planted in and out areas of Factory.

Human Resource Management:

Sustainable Development Goal:

- Decent Work & Economic Growth
- Reduced Inequalities
- Gender Equality

a. Employees:

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

An apprentice training program is in place to provide vocational training to deserving individuals. The program enables youths to develop skills and knowledge of manufacturing processes.

b. Specially-Abled Persons:

The management of the Company encourages employment of workforce i.e. special person employees living in the rural areas in order to yield significant gain and uplift their living standard. Currently, the management has appointed 15 specially-abled persons as an employee of the Company which have disability like stammered, deaf & dumb, limp (accident), artificial foot, damage eye and polio cases.

c. Women Empowerment:

The Company is in the process to strengthen our policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all level and ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life. Currently, at the top position, one female has been appointed as Non-Executive Director and became the part of the Board.

Contribution Towards Economy & Government:

Sustainable Development Goal:

- Industry Innovation & Infrastructure
- Affordable & Clean Energy

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

Pakistan is facing severe energy crises, this is resulting in load-shedding and power shutdowns in all sectors, whether industrial or residential. Considering the importance of energy, the Company has been heavily investing in power generation, which includes installation of equipment & machinery, with our manufacturing area for our in-house consumption.

Assistance To Families:

Sustainable Development Goal:

- No Poverty
- Zero Hunger

The Company has always been active in supporting and providing humanitarian assistance to communities by providing food, where staff also participates as volunteers in delivering the goods. These packages are donated directly by the team's of the Company.

Environment Protection:**Sustainable Development Goal:**

- Industry Innovation & Infrastructure
- Responsible Consumption & Production
- Life on Land

The Company has developed water and sanitation related activities and programmes, including water harvesting, desalination, water efficiency, waste water treatment, recycling and reuse technologies, therefore, the Company has finalized arrangement for the treatment of waste-water, through Activated Sludge Process (Chemical + Biology) process at Mills to meet the SEQs requirements of Sindh Environmental Protection Agency.

Solar Power Generation:**Sustainable Development Goal:**

- Responsible Consumption
- Industry Innovation & Infrastructure
- Affordable & Clean Energy

During the year, the Company has installed 10 KW Solar System for offices of Accounts, Admin, Information Technology and Cane Departments. Small individual solar systems have also been installed at the Mess Area, Ware House and 20 Family Quarters of Mill Employees having total capacity of 5 KW.

We have also installed 50 KW Solar Power Generation System for the main factory area and workshop to smoothly run the repair & maintenance during off-season with-out interruption and to curtail usage of diesel generators as well as to reduce purchase of electricity from WAPDA.

Corporate Social Responsibility Plans:**Sustainable Development Goal:**

- Responsible Consumption
- Industry Innovation & Infrastructure
- Affordable & Clean Energy
- Good Health

The Company has plan to conduct a two days free eye camp in the month of February 2024 for employees and persons living nearby.

The Company has planned to install the Solar Power throughout the Mills premises for own consumption, in different phases and our plan is to install 250 KW Solar Power Generation System, in phases, for the main factory area and workshop to smoothly run the repair & maintenance during off-season with-out interruption and to curtail usage of diesel generators. Currently we have installed the solar powers at some areas of Offices, Hostel, Messes and Employees Colony.

During season the Company's power appliances and plant & machinery are running on own power generation and the power generation through solar will be transferred to Hyderabad Electric Supply Corporation with the permission of National Electric Power Regulatory Authority through Net Metering and this will give benefit during off season through adjustment in HESCO bills, the matter of approvals from authorities are in process and will be completed soon.

Expenditures Incurred:

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

Karachi : December 18, 2023

Ghulam Dastagir Rajar
Chairman
Corporate Social Responsibility Committee

میں فیکٹری کے علاقے اور ورکشاپ میں بھی 50 کلوواٹ کا سولر پاور سسٹم نصب کیا گیا ہے تاکہ سیزن ختم ہونے کے بعد مرمت اور دیکھ بھال کے کام کو بلا تعلق کیا جاسکے اور اس سلسلے میں ڈیزل جنریٹر پر کم از کم انحصار کیا جائے، نیز واپڈا سے خریدی جانے والی بجلی پر بھی انحصار کو کم کیا جاسکے۔

سی ایس آر منصوبے:

مستقل بنیادوں پر ترقی کا ہدف

- ذمہ دارانہ کھپت

- صنعتی اختراعات و انفراسٹرکچر

- قابل برداشت صاف انرجی

- اچھی صحت

کمپنی کی جانب سے فروری 2024 میں ملازمین اور قرب و جوار میں رہائش پذیر عوام کیلئے امراض چشم کے دوروزہ مفت کیمپ کا بندوبست کیا جا رہا ہے۔

کمپنی نے پوری مل کے اندر سولر پاور نصب کرنے کا منصوبہ بنایا ہے تاکہ اپنی بجلی خود پیدا کی جاسکے، یہ منصوبہ مختلف مراحل میں مکمل کیا جائے گا، منصوبے کے مطابق 250 کلوواٹ کا سولر پاور جنریشن سسٹم نصب کیا جائے گا تاکہ سیزن ختم ہونے کے بعد مرمت اور دیکھ بھال کے کام کو بلا تعلق کیا جاسکے اور اس سلسلے میں ڈیزل جنریٹر پر کم از کم انحصار کیا جائے، نیز واپڈا سے خریدی جانے والی بجلی پر بھی انحصار کو کم کیا جاسکے۔ حالیہ دفاتر، ہاسٹل، مطعم اور ملازمین کی کالونی میں سولر پاور کی تنصیب کی گئی ہے۔

زیر نظر سیزن کے دوران کمپنی کے پاور پلانٹس اور پلانٹ و مشینری اپنی پیدا کردہ بجلی پر ہی چلائے جا رہے ہیں اور سولر پاور کے ذریعے پیدا ہونے والی بجلی کو نیشنل الیکٹرک پاور ریگولیٹری اتھارٹی کی اجازت سے بذریعہ نیٹ میٹرنگ حیدرآباد الیکٹرک سپلائی کارپوریشن کو فروخت کیا جائے گا اور اس کا فائدہ پیسکو کی جانب سے آف سیزن میں بلوں کی مدد میں کی جانے والی ایڈجسٹمنٹ سے ہوگا، جہاں تک اتھارٹی سے منظوری کا تعلق ہے یہ کام زیر کاروائی ہے اور اسے جلد مکمل کر لیا جائے گا۔

اداشدہ اخراجات:

کارپوریٹ معاشرتی ذمہ داری کی سرگرمیوں پر آنے والے اخراجات کو مالیاتی رپورٹ کے نوٹس میں "دیگر کاروباری اخراجات" کے عنوان سے

رپورٹ کیا گیا ہے۔

غلام دستگیر راجپوت

چئیرمین

کارپوریٹ معاشرتی ذمہ داری کمیٹی

کراچی: 18 دسمبر 2023ء

سرکاری و معاشی میدانوں میں کمپنی کا حصہ:

مستقل بنیادوں پر ترقی کا ہدف

- صنعتی اختراعات و بنیادی ڈھانچہ

- سستی اور صاف توانائی

کمپنی کی جانب سے قومی ترقی میں اپنا بھرپور حصہ ملا جا رہا ہے اور اس ضمن میں کمپنی اپنی آمدن سے ٹیکسوں، ڈیوٹیز اور دیگر لیویز کی مد میں ادائیگیاں کر رہی ہے۔ پاکستان اس وقت شدید توانائی بحران سے گزر رہا ہے اور اس مسئلے کی وجہ سے تمام شعبوں کو لوڈ شیڈنگ اور پاور شٹ ڈاؤن کا سامنا ہے۔ خواہ گھریلو صارفین ہوں یا صنعتی صارفین سب ہی اس مسئلے سے دوچار ہیں۔ توانائی کی اہمیت کو مد نظر رکھتے ہوئے کمپنی کی جانب سے توانائی کے شعبے میں بھاری سرمایہ کاری کی گئی ہے جس میں مشینری اور آلات کی تنصیب شامل ہے جس سے ہمارے صنعت سازی کے عمل کو بھی توانائی کی فراہمی اندر سے ہی پوری ہو جاتی ہے۔

خاندانوں کی امداد:

مستقل بنیادوں پر ترقی کا ہدف

- غربت کا خاتمہ

- بھوک و افلاس کا خاتمہ

کمپنی کی جانب سے ہمیشہ انسانی خدمت کے جذبے کے تحت کمیونٹی کی امداد کی جاتی ہے اور انھیں کھانا فراہم کیا جاتا ہے، ایسے مواقع پر کمپنی کے ملازمین بھی بطور رضا کار امدادی اشیاء متاثرین تک پہنچانے میں اپنا کردار ادا کرتے ہیں۔ امدادی سامان کمپنی کی ٹیموں کے ذریعے براہ راست متاثرین تک پہنچایا جاتا ہے۔

ماحولیاتی حفاظت

- مستقل بنیادوں پر ترقی کے اہداف

- پیداوار اور مصارف میں احساس ذمہ داری

- زمین پر زندگی

کمپنی کی جانب سے پانی کی فراہمی اور نکاسی و آب سے متعلق سرگرمیوں اور پروگرامز بشمول واٹر ہارویسٹنگ، ڈی سیلینیشن، واٹر اینڈ فیویشن، ویسٹ واٹر ٹریٹمنٹ، ری سائیکلنگ اور ری یوز ٹیکنالوجی جیسے اقدامات اٹھائے ہیں۔ لہذا کمپنی کی جانب سے ویسٹ واٹر ٹریٹمنٹ کو حتمی شکل دے دی گئی ہے اور اس سلسلے میں ایکٹیو بیڈ سلج پروسیس (کیمیکل + بائیولوجی) طریق کار ملز پر اپنایا گیا ہے تاکہ سندھ انوائرنمنٹل پروٹیکشن ایجنسی کی ایس ای کیوز کی شرائط پر عمل کیا جاسکے۔

سولر پاور جنریشن

مستقل بنیادوں پر ترقی کے اہداف

- مصارف میں احساس ذمہ داری

- صنعتی اختراعات و انفراسٹرکچر

- قابل برداشت صاف انرجی

دوران سال کمپنی نے اکاؤنٹس، ایڈمن، انفارمیشن ٹیکنالوجی اور کین ڈپارٹمنٹ کے دفاتر کیلئے 10 کلو واٹ پاور کا سولر سسٹم نصب کیا ہے۔ مطعم، وینیر ہاؤس اور مل ملازمین کے 20 خاندانوں کے کوارٹرز کیلئے بھی 5 کلو واٹ کا ایک انفرادی سولر سسٹم نصب کیا گیا ہے۔

جاتی ہے۔ ہماری جانب سے فیکٹری کے احاطے میں اور قرب وجوار میں کئی درخت لگائے گئے ہیں اور ملازمین میں بھی پودے تقسیم کئے گئے ہیں تاکہ وہ اپنی رہائش گاہوں کے قریب بھی شجر کاری کو فروغ دے سکیں تاکہ ہمارا ماحول صاف ستھرا اور سرسبز ہو جائے۔

کمپنی کی جانب سے یہ ہدف مقرر کیا گیا ہے کہ 2023-25 کے دوران 5000 درخت لگائے جائیں، اب تک فیکٹری کے اندر اور باہر کے علاقے میں 1500 درخت لگائے جا چکے ہیں۔

بندوبست برائے انسانی وسائل:

مستقل بنیادوں پر ترقی کا ہدف

- مہذب کام کاج اور معاشی نشوونما

- عدم مساوات میں کمی

- صنفی مساوات

الف) ملازمین

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

مستحق افراد کو پیشہ ورانہ تربیت فراہم کرنے کے لیے ایک اپرنٹس ٹریننگ پروگرام ترتیب دیا گیا۔ یہ پروگرام نوجوانوں کو مینوفیکچرنگ کے عمل کے بارے میں ہنرمند بنانے اور ان کے علم اضافہ کرنے کے قابل بناتا ہے۔

ب) خصوصی افراد

کمپنی کی انتظامیہ کی جانب سے اس بات کو اہمیت دی جاتی ہے کہ دیہی علاقوں میں رہنے والے افراد کو روزگار کے زیادہ سے زیادہ مواقع فراہم کئے جائیں تاکہ ان لوگوں کے معیار زندگی میں بہتری لانے میں مدد مل سکے۔ مزید برآں، کمپنی انتظامیہ کی جانب سے 15 خصوصی افراد کو روزگار فراہم کیا گیا ہے، ان خصوصی افراد میں ہکلاہٹ، بہرہ پن، گونگ، (حادثات کے باعث) لنگڑاپن، مصنوعی ٹانگ، امراض چشم اور پولیو سے متاثرہ معذور یوں جیسی معذوریوں شامل ہیں۔

ج) خواتین کی خود مختاری

کمپنی اپنی پالیسیوں کو مزید وسعت دینے کے مراحل میں ہے اور اس بات کو یقینی بنایا جا رہا ہے کہ قانوناً ایسی پالیسیوں کے نفاذ کو ممکن بنایا جاسکے جن کے ذریعے جنسی تفاوت کو ختم کیا جائے اور ہر سطح پر خواتین اور لڑکیوں کے موثر کردار کو ممکن بنایا جائے اور انہیں برابری کی بنیاد پر مواقع فراہم کئے جائیں اور وہ بھی اپنی صلاحیتوں کی بنیاد پر لیڈرشپ کا کردار ادا کر سکیں خواہ سیاسی، معاشی یا معاشرتی میدان ہی کیوں نہ ہو۔ حال ہی میں غیر جانبدار ڈائریکٹر جیسے اعلیٰ عہدے پر ایک خاتون کو فائز کر کے بورڈ کا حصہ بنایا گیا ہے۔

کمپنی پانی اور ماحولیاتی پائیداری پر توجہ مرکوز کرتی ہے، جیسا کہ:
الف) ہمارے طریق کار اور نظام میں مستقل بنیادوں پر تجدید کا عمل جاری ہے تاکہ پانی کے استعمال کو کم از کم سطح پر لایا جاسکے، ہر آنے والا سال گزرے ہوئے سال کے مقابلے میں بہتر ہونا چاہیے۔

ب) کمیونٹی صاف پانی اسکیم - ہمارے قرب و جوار میں رہائش پذیر لوگوں کیلئے واٹر فلٹریشن پلانٹس کی تنصیب۔
کمپنی کی جانب سے پینے کے صاف پانی تک مناسب قیمت پر ہمہ وقت اور مناسب رسائی حاصل کر لی گئی ہے۔ کمپنی کی جانب سے اس بات کو یقینی بنایا جا رہا ہے کہ تمام افراد تک پینے کے صاف پانی کی فراہمی کو ممکن بنایا جائے اور پانی کی عدم فراہمی کی وجہ سے بیمار ہونے والے افراد کی تعداد میں کمی لائی جائے اور پانی کی فراہم اور نکاسی کیلئے مقامی کمیونٹی کی شراکت کے عمل کو مضبوط بنیادوں پر استوار کیا جائے۔
لہذا کمپنی کی جانب سے ریورس اوسموسس پلانٹ کا بندوبست کیا گیا ہے جس کے ذریعے یومیہ 5000 گیلن پانی کو صاف کیا جاسکے گا اور اس طرح پینے کا صاف پانی ملز اور قرب و جوار میں رہنے والے عوام کو فراہم کیا جاسکے گا۔

کمیونٹی اور معاشرتی ترقی:

مستقل بنیادوں پر ترقی کا ہدف

- بھوک کا مکمل خاتمہ

- غربت کا جڑ سے خاتمہ

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

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

کمپنی کی انتظامیہ معاش پیدا کرنے اور معیار زندگی کو بلند کرنے کے لیے قرب و جوار کے علاقوں میں مقامی کمیونٹیز سے خدمات حاصل کرنے کو ترجیح دیتی ہے اور خاص طور پر ان علاقوں میں پسماندہ افراد کے لیے تعلیم، صحت اور بہبود پر سب سے زیادہ توجہ مرکوز ہے۔

خاندانوں کی امداد اور بنیادی غذائی اجناس کی فراہمی کیلئے ڈپٹی کمشنر (ساگھڑ) کے تعاون سے کمپنی کی جانب سے شوگر سیل اسٹال رمضان بچت بازار (ساگھڑ) کا اہتمام کیا گیا جس میں عوام الناس کو دو کلو چینی کا تھیلا 95 روپے فی کلو کے حساب سے دیا گیا جبکہ اس وقت چینی کی خوردنی قیمت 125 روپے فی کلو تھی۔

شجر کاری:

مستقل بنیادوں پر ترقی کا ہدف

- پائیدار شہر اور کمیونٹیز

- زمین پر زندگی

- ماحولیاتی تبدیلی

شجر کاری کی ہم ہمارے سی ایس آر پروجیکٹ کی سرگرمیوں میں سے ایک اہم ترین سرگرمی ہے۔ کمپنی کی جانب سے کمپنی کے احاطے میں ایک گرین ہاؤس قائم کیا گیا ہے جہاں پودوں کو پروان چڑھانے اور ان پر تحقیق کرنے کا مکمل بندوبست کیا گیا ہے اور ساگھڑ کے مقامی موسم کے مطابق ان پودوں پر تحقیق بھی کی

میں ہوا اور روشنی کا مناسب اہتمام کیا گیا ہے، کمپیوٹر لیب، سائنس لیبارٹری، کھیل کا میدان اور ٹک شاپ بھی اسکول کا حصہ ہیں اور بجلی کی بلا تعطل سپلائی کا بندوبست بھی کیا گیا ہے۔ اس اسکول کو چلانے کے بڑے مقاصد میں علاقے کے غرباء کی امداد، لڑکیوں کی تعلیم کو فروغ دینا، طلباء کو کی عملی اسلامی تربیت وغیرہ شامل ہیں۔ علاوہ ازیں، اسکول میں مختلف ایام منانے کا اہتمام بھی کیا جاتا ہے جیسا کہ سالانہ اسپورٹس ڈے اور پیٹنٹس ڈے وغیرہ۔

صحت اور طبی سہولیات:

مستقل بنیادوں پر ترقی کا ہدف

- اچھی صحت اور فلاح و بہبود

کمپنی کی جانب سے طبی سہولیات و صحت کے سلسلے میں گرانقدر خدمات انجام دی گئی ہیں۔ اس سلسلے میں جسمانی سہولیات کے ساتھ ساتھ مالی معاونت کا بندوبست بھی کیا گیا تھا، یہ مالی معاونت امراض چشم اور خون کے امراض کے علاج کیلئے فراہم کی گئی۔

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

انتظامیہ کی جانب سے دو روزہ "سالانہ مفت کیمپ برائے امراض چشم" کا اہتمام کیا گیا۔ کیمپ مؤرخہ یکم فروری 2023 سے 2 فروری 2023 تک کمپنی کے احاطے میں منعقد کیا گیا۔ مفت کیمپ کے تحت 1050 سے زائد مریضوں کا معائنہ کیا گیا اور 524 مریضوں کے اطمینان بخش آپریشنز بھی کئے۔ یہ آپریشنز انتہائی کامیاب رہے جن میں لینس تبدیل اور فکس کئے گئے جیسا کہ ماضی میں بھی ہمارے معروف ڈاکٹر اور ٹیکنیشنز ان میں حصہ لیتے رہے ہیں۔ کیمپ منعقد کرنے سے پہلے بذریعہ ریڈیو، کیبل، سوشل میڈیا اور پمفلٹ کے ذریعے ضرورت مند افراد تک معلومات کو پہنچایا گیا۔ میر پور خاص ڈویژن، پیرمل اور ساگھڑ سے مریضوں اور ان کے تیمارداروں کو لانے اور لے جانے کیلئے مفت ٹرانسپورٹ کا اہتمام بھی کیا گیا تھا۔ اس کے علاوہ مریضوں، ان کے تیمارداروں، ڈاکٹروں اور ان کے اسٹاف کیلئے قیام اور طعام کا بندوبست بھی کیا گیا تھا۔ کیمپ کے تمام اخراجات کمپنی اور اعلیٰ افسران نے بذات خود برداشت کئے۔

مزید برآں، جب اور جہاں ضرورت کی بنیاد پر "کڈنی ڈیلاس سینٹر ساگھڑ" کیلئے کمپنی کی جانب سے عطیات فراہم کئے جا رہے ہیں۔ علاوہ ازیں، 19 فروری 2023 کو خون کے مفت عطیات کے ایک دن کا مفت کیمپ بھی لگایا گیا جو کہ تھلیسمیا کے مریضوں کیلئے لگایا گیا تھا، اس کیمپ میں ملازمین اور قرب و جوار کے لوگوں کی جانب سے 82 بوتلیں خون کا عطیہ دیا گیا۔

پینے کا صاف پانی:

مستقل بنیادوں پر ترقی کا ہدف

- صاف پانی اور نکاسی آب

- اچھی صحت اور فلاح و بہبود

کمپنی کی جانب سے پانی اور ماحولیات کے سلسلے میں مستقل بنیادوں پر اقدامات اٹھائے جاتے ہیں، یہ اقدامات کاروباری اور کمیونٹی کی سطح پر اٹھائے جاتے ہیں۔ کمپنی کی جانب سے ہمہ وقت یہ کوشش جاری رہتی ہے کہ پانی کے استعمال کو کم از کم کرنے کیلئے اپنے نظام میں مزید سے مزید ترقی بہتری پیدا کی جائے، نیز کمپنی اس سلسلے میں کمیونٹی اور اداروں سے بھی مسلسل رابطے میں رہتی ہے تاکہ پانی اور ماحولیات کیلئے اٹھائے جانے والے اقدامات کو زیادہ سے زیادہ حمایت حاصل ہو سکے۔

کارپوریٹ معاشرتی ذمہ داری سے متعلق رپورٹ

بابت مالی سال اختتامیہ 30 ستمبر 2023

معزز ممبران،

وطن عزیز کا ایک ذمہ دار کارپوریٹ ادارہ ہونے کے ناطے سانگھڑ شوگر ملز لمیٹڈ کو معاشرے کے کل کو آج سے زیادہ مضبوط بنانے کیلئے اپنی ذمہ داریوں کا مکمل احساس ہے۔ کوڈ آف کنڈکٹ کے مطابق جس سے اس کے عزائم کی توثیق ہوتی ہے کہ بنیادی انسانی حقوق کی پاسداری کی جائے، اور تمام ملازمین، صارفین اور اندرونی و بیرونی شراکت داروں کے ساتھ انصاف اور مساوات پر مبنی برتاؤ روا رکھا جائے تاکہ ایک شفاف، قابل بھروسہ معاشرہ تشکیل دیا جائے جو کہ تعصب، امتیازی سلوک، تشدد اور خوف سے پاک ہو۔

مستقل بنیادوں پر پاکستان کے معاشرے اور افراد کی ترقی و فلاح و بہبود کی خاطر کمپنی اپنا بھرپور کردار ادا کر رہی ہے۔ کمپنی اس بات پر یقین رکھتی ہے کہ معاشرے میں شراکت کی بنیادوں پر معاشی اور معاشرتی اقدار استوار کرنے کیلئے اقدامات کئے جائیں۔ اس سلسلے میں کمپنی کی جانب سے اٹھائے گئے اقدامات کے بارے میں شراکت داروں تک معلومات بہم فراہم کرنے کیلئے درج ذیل رپورٹ پیش کی جا رہی ہے:

شعبہ تعلیم:

مستقل بنیادوں پر ترقی کا ہدف

- صنفی مساوات

- مہذب کام اور معاشی نشوونما

- معیاری تعلیم

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

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

تعلیم کا یہ عمل کنڈرگارٹن کے مرحلے میں ایک کمرے سے شروع کیا گیا جس میں بچوں کی کل تعداد محض دس (10) تھی۔ لیکن اب آگے بڑھنے کے بعد یہ اسکول آٹھویں جماعت تک ترقی کر چکا ہے اور اس میں لڑکے اور لڑکیاں دونوں ہی زیر تعلیم ہیں، اساتذہ اور دیگر اسٹاف کی تعداد 16 ہے جن میں سے 13 خواتین اور 1 مرد اساتذہ ہیں۔ طلباء کی تعداد دو سو ستاون (257) تک پہنچ چکی ہے، ان میں سے 94 طلباء کا تعلق ملازمین کے گھرانوں سے ہے اور بقیہ طلباء قرب و جوار سے ہیں۔ تعلیمی ماحول سازگار ماحول انفراسٹرکچر پر مشتمل ہے جو کہ صاف ستھرے ماحول اور تمام بنیادی سہولتوں سے راستہ ہے۔ درسگاہوں

Risk Management Framework & Methodology

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

Our Risk Management Framework is a comprehensive approach to identifying, assessing and mitigating risk within the context of our risk environment. Our approach to risk management relies on continuously monitoring risk and related mitigation procedures and revising these when required. These procedures are embedded in our day-to-day activities.

Risk Governance Structure & Assessment

Business Process Owners

Identifies risk and devises mitigation plans.

Internal Audit

Provides assurance on the exposure of risk, assess the adequacy of internal controls and provides recommendations.

Executive Management

Reviews the Company wide risks, assesses the extent of its exposure and finalize the action plans for implementation.

Audit Committee & Risk Management Committee

Reviews the effectiveness of Risk Management Framework and assess the significance of Risk and their mitigation plans.

Board of Directors

Overall responsibility for overseeing the risk management processes.

The Company considers the following material risk which may affect our business operations and mitigating strategies for controlling these risks:

STRATEGIC RISK

This risk arises from potential failures in strategic planning that may lead to non-achievement of core objectives.

Risk	Area of Impact	Source of Risk	Mitigating Action
Inconsistent & Arbitrary changes in Government Policies	Financial Capital	External	Regular advocacy through different forums, like PASMA, to timely appraise the relevant Government Departments and Regulators of all issues that may have an adverse impact on the Company and industry as a whole. Further, the Company consult with the Consultants for developing appropriate policies and cases to defend the interest of the Company and present to the Government.

Risk	Area of Impact	Source of Risk	Mitigating Action
Technological Advancements	Manufactured Capital	External	<p>The Company's management values automation of operations and technological advancements. The Company has invested in modernization of production facilities utilizing latest technological developments for cost / output optimization.</p> <p>Investments are being made regularly to continuously improve product quality / quantity and process efficiently.</p>

OPERATIONAL RISK

This risk arises as a result of ineffective internal processes, people, systems or external events which can disrupt the flow of business operations.

Risk	Area of Impact	Source of Risk	Mitigating Action
Maintenance	Manufactured Capital	Internal	Effective technical monitoring and preventive maintenance are in place to ensure maximum plant efficiency and capacity utilization.
Employee Retention & Succession Planning	Human Capital	Internal	Company values its employees as essential human assets and provides congenial environment and growth opportunities. Strategy on succession planning is in place to support the management in assessing employee performance for future growth and identify potential placements. The Company's key focus remains on the training and development of its intellectual capital and to provide meaningful opportunities to foster a thriving work environment and a high performance culture.
Information System	Financial Capital	Internal / External	Appropriate data back-up is in place. Further, system related controls are in place and working effectively to safeguard confidential and or proprietary information.
National Catastrophe	Manufactured Capital / Relationship Capital	External	Every possible aspects of safety measures has been taken into consideration by the Company during construction and erection of Building, Plant & Machinery to ensure that any adverse or unforeseen events / disasters cause minimum disruption. The Company has made comprehensive insurance cover of all. Further, the Company has established data backup to address any unwarranted events.

MARKET RISK

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

Risk	Area of Impact	Source of Risk	Mitigating Action
Raw Material - Sugar Cane	Financial Capital	External	The Company always maintains healthy relationship with its farmers. The risk of raw material - Sugarcane short supply and quality is mitigated to a large extent by educating farmers with latest cultivating techniques. The Company provides harvesting advance to growers and also provide fertilizers in the shape of advances for healthy crop.
Commodity	Financial Capital	External	The Company diversify its revenue sources. The Company supply sugar to Registered buyers as well as Unregistered buyers. Further, the Company made investments in plant & machinery to reduce the consumption of Baggasse and sell the surplus Baggasse after meeting our own production requirements.
Finished Goods - Sugar	Financial Capital	External	The management of the Company keep an eye and in-touch with the market sentiments and players respectively. This helps the management to do a quick and aggressive decision for sugar sales in scattered form or in bulk.

FINANCIAL RISK

This risk includes credit risk, liquidity risk, foreign currency risk and interest rate risk.

Risk	Area of Impact	Source of Risk	Mitigating Action
Credit Risk	Financial Capital	External	To manage exposure to credit risk in respect of trade receivables, management performs credit reviews taking into account the customer's financial position, past experience and other factors. The Company manages credit risk interalia by setting out credit limits in relation to individual customers and / or by obtaining advance against the sales and / or through letter of credits.
Interest Rate Risk	Financial Capital	External	Company's exposure to interest rate is associated with the short term borrowings. The Company monitors interest rate fluctuation and encounters interest rate risk by utilizing optimal mix of different types of borrowing arrangements and also manages the risk through viable negotiations with lenders and effective fund utilization.
Liquidity Risk	Financial Capital	External	The Company manages liquidity risk by maintaining sufficient cash and ensuring the fund availability through adequate credit facilities. The Company has available un-availed borrowing facilities and also has cash & bank balances.
Foreign Exchange Risk	Financial Capital	External	The Company's treasury function closely monitors and manages the exposure to foreign currency risk. The Company is not directly exposed to Foreign Exchange Risk. When the Government allow exports and the Company made export sales, the Company obtained partial payment as an advance and negotiate the rate with bank for the balance payment. Moreover, the residual risk on purchases is passed on as part of the product pricing subject to market conditions and Government policies.

COMPLIANCE RISK

This risk includes the Company's potential exposure to legal penalties, resulting from its failure to act in accordance with laws and regulations.

Risk	Area of Impact	Source of Risk	Mitigating Action
Risk of Litigation	Social & Relationship Capital	External	Significant litigation cases are handled through reputable law firms and our Consultants / lawyers engaged by the Company which specialized in particular areas.
Environmental	Natural Capital	Internal	The Company has made serious efforts and are installing equipment to reduce the pollution and making a good impact of Company's business on Environment. The Company has installed collection units to retrieve oil / grease e.t.c. from the waste water and ash collectors are also installed at the chimneys to absorb the ash. The Effluent treatment plant has also been installed.
Health & Safety	Human Capital	Internal	Issues are addressed by focusing on safety measures such as conducting appropriate trainings, use of equipments & safe practices. Providing awareness to employees for precautionary measures. Safety awareness and training sessions are regularly conducted throughout the Company, alongside safety internal audits to continuously monitor and minimize exposure.
Regulatory Laws & Policies	Relationship Capital	Internal	The Company closely monitors changes in the regulatory environment and adopts to all significant changes in a timely manner, which is applicable to the Company, to prevent any breach of law. External experts are also engaged for consultations and on assignments. Audit Committee and Internal Audit Department reviews adequacy and effectiveness of controls over compliance & reporting.
Unethical & Prohibited Business Practices	Relationship Capital	Internal	Our code of conduct sets out the behaviors that is expected from the Company, the Directors, the Executive & Managers and the Employees & Workers. We are committed to conduct business in an ethical manner and a reputation of trust & reliance.

Key Responsibilities of the Chairman of the Board of Directors

The key responsibilities of the Chairman of the Board of Directors, includes but not limited to, are as follows:

Leadership of the Board

The Chairman is responsible for leadership of the Board and ensure that the Board plays an effective role in fulfilling its responsibilities.

Agenda and discussion in meetings

The Chairman set the agenda of the Board's meeting and ensure that reasonable time is available for discussion of the same. All written notices, including the agenda of meetings be circulated at least seven days prior to the meetings, except in the case of emergency meetings, where the notice period may be reduced or waived.

Minutes of meeting

Ensuring that the minutes of meetings of the Board of Directors are kept in accordance with the requirements of the Companies Act, 2017.

Appointment Letters

At the beginning of the term of each Director, the Chairman issue letter to the appointed Directors setting out their role, obligations, powers and responsibilities in accordance with the Companies Act, 2017 and Company's Articles of Association, their remuneration and entitlement.

Chairman Review Report

Every financial statements circulated under section 223 of the Companies Act, 2017 must contain a Review Report by the Chairman on the overall performance of the Board and effectiveness of the role played by the Board in achieving the Company's objectives.

Chairman of the General Meeting

The Chairman of the Board preside as Chairman at every Annual General Meeting and Extra Ordinary General Meeting of the Company.

Under Companies (Postal Ballot) Regulations, 2018

The responsibility of the Chairman for general meeting, in which agenda of Special Business and the Election of Directors is going to be held, for that purpose the Chairman is to record the time and date of receipt of ballot papers, keep them in safe custody and ensure confidentiality of the result till it is formally announced and immediately after the conclusion of poll, count votes cast during time of poll in person, through proxy, video-link and by post and in case of e-voting unblock result of e-voting and also ensure completeness and accuracy of the results of the voting and announced in the meeting, by the Chairman. The Chairman, after announcement of result of poll shall send execution report of poll to the Company.

Where a scrutinizer has been appointed under the Companies (Postal Ballot) Regulations, 2018 by the Board, the Chairman must comply with the regulations, give details and follow the procedures, as listed therein.

Key Responsibilities of the Chief Executive Officer

The key responsibilities of the Chief Executive Officer of the Company, includes but not limited to, are as follows:

Issues to be placed for decision of the Board of Directors

The Chief Executive Officer of the Company shall place significant issues for the information, consideration and decision, as the case may be, of the Board of Directors or its Committees, that include but are not limited to the following:

The Chief Executive Officer foresees risk of default concerning obligations on any loans, borrowings or any other debt instrument, the same shall be brought to the attention of Board; annual business plan, cash flow projections, forecasts and strategic plan; budgets including capital, manpower and overhead budgets, along with variance analysis; matters recommended and/or reported by the Audit Committee and other committees of the Board; quarterly operating results of the Company as a whole and in terms of its operating divisions or business segments; internal audit reports, including cases of fraud, bribery, corruption, or irregularities of material nature; management letter issued by the external auditors; details of joint venture or collaboration agreements or agreements with distributors, agents etc.; promulgation of or amendment to a law, rule or regulation, applicability of financial reporting standard and such other matters as may affect the Company and the status of compliance therewith; status and implications of any law suit or proceedings of material nature, filed by or against the Company; failure to recover material amounts of loans, advances, and deposits made by the Company including trade debts; any significant accidents, fatalities, dangerous occurrences and instances of pollution and environmental problems involving the Company; significant claims made or likely to be made against the Company, including any adverse judgment or order made on the conduct of the Company or of another Company that may bear negatively on the Company; report on governance, risk management and compliance issues; disputes with labor and their proposed solutions, any agreement with the labor union or collective bargaining agent and any charter of demands on the Company; reports on /synopsis of issues and information pursued under the whistle blowing policy; implementation of environmental, social and governmental and health and safety business practices including report on corporate social responsibility activities or any other regulatory framework as applicable; sale of assets, investments and undertakings of material amount or significant nature, which is not in the ordinary course of business; and quarterly details of foreign exchange exposures and the safeguards taken by management against adverse exchange rate movement, if material.

Responsibility for Financial Reporting and Corporate Compliance

The Chief Executive Officer and the Chief Financial Officer shall duly endorse the quarterly, half-yearly and annual financial statements under their respective signatures prior to placing and circulating the same for consideration and approval of the Board of Directors.

Chief Executive not to engage in business competing with Company's business

Chief Executive of Company shall not directly or indirectly engage in any business, which is of the same nature, and directly competes with the business carried on by the Company.

Terms of Reference of the Audit Committee

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

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

Related party transactions

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

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

Terms of Reference of the Human Resource & Remuneration Committee

The Terms of reference of Committee shall be the following:

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

Terms of Reference of the Risk Management Committee

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

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

Terms of Reference for the Corporate Social Responsibility (CSR) Committee

The Terms of References of the Committee are as follows:

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

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

Terms of Reference of the Information Technology & Steering Committee

The Board constituted the Information Technology & Steering Committee to carry out Information Technology Governance. The terms of reference of the Committee shall be the following:

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

An Abstract of Policy for Corporate Social Responsibility

The following are an abstracts of policy for Corporate Social Responsibility.

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

Strategy of Corporate Social Responsibility

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

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

Sustainability & Corporate Social Responsibility

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

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

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

An Abstract of Policy for Directors' Remuneration & Meeting Fee

Following are an abstracts of the policy for Directors' Remuneration and Meeting Fee:

Meeting Fee of Directors

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

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

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

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

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

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

Executive Directors' Remuneration

Basic Salary:

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

Benefits & Allowances:

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

Increment:

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

Gratuity:

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

Production Bonuses:

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

Others:

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

An Abstract of Policy for Related Party Transactions & Their Records

Scope of the Policy

This Policy applies to transactions between the Company and one or more of its Related Parties. It provides a framework for governance and reporting of Related Party Transactions. It is intended to ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its Related Parties. Amendments, from time to time, to the Policy, if any shall be considered and approved by the Board. The Policy covers all related party transactions of Sanghar Sugar Mills Limited (the Company) as defined under Section 208 of the Companies Act, 2017 read with related Regulation of Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018 issued by the Securities & Exchange Commission of Pakistan (the Commission). The Policy is applicable to all the individuals responsible to initiate, authorize, record and report related party transactions and also on all Related Party Transactions irrespective of their value and size.

Definitions & Explanations

- (a) the expression “office of profit” means any office
- (i) where such office is held by a director, if the director holding it receives from the Company anything by way of remuneration over and above the remuneration to which he is entitled as director, by way of salary, fee, commission, perquisites, any rent-free accommodation, or otherwise;
 - (ii) where such office is held by an individual other than a director or by any firm, private company or other body corporate, if the individual, firm, private company or body corporate holding it receives from the company anything by way of remuneration, salary, fee, commission, perquisites, any rent-free accommodation, or otherwise;
- (b) the expression “arm’s length transaction” means a transaction which is subject to such terms and conditions as may be specified.
- (c) the expression “related party” includes-
- (i) a director or his relative - “relative” means spouse, siblings and lineal ascendants and descendants of a person;
 - (ii) a key managerial personnel or his relative;
 - (iii) a firm, in which a director, manager or his relative is a partner;
 - (iv) a private company in which a director or manager is a member or director;
 - (v) a public company in which a director or manager is a director or holds along-with his relatives, any shares of its paid up share capital;
 - (vi) anybody corporate whose chief executive or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager (except in professional capacity);
 - (vii) any person on whose advice, directions or instructions a director or manager is accustomed to act (except in professional capacity);
 - (viii) any company which is;
 - (A) a holding, subsidiary or an associated company of such company; or
 - (B) a subsidiary of a holding company to which it is also a subsidiary;
 - (ix) such other person as may be specified;

Conditions for Transactions With Related Parties to be Characterized as “Arm's Length Transactions”

Subject to the requirements of section 208 of the Act, a transaction between related parties shall be characterized as an “arm's length transaction”, only if it is carried out in a way, as if:

- (a) the parties to the transaction were unrelated in any way;
- (b) the parties were free from any undue influence, control or pressure;
- (c) through its relevant decision-makers, each party was sufficiently knowledgeable about the circumstances of the transaction, sufficiently experienced in business and sufficiently well advised to be able to form a sound business judgment as to what was in its interests; and
- (d) each party was concerned only to achieve the best available commercial result for itself in all the circumstances.

Related Party Transactions

The Company may enter into any contract or arrangement with a related party with respect to:

- (a) sale, purchase or supply of any goods or materials;
- (b) selling or otherwise disposing of, or buying, property of any kind;
- (c) leasing of property of any kind;
- (d) availing or rendering of any services;
- (e) appointment of any agent for purchase or sale of goods, materials, services or property; and
- (f) such related party's appointment to any office or place of profit in the Company:

Provided that where majority of the directors are interested in any of the above transactions, the matter shall be placed before the general meeting for approval as special resolution:

Further, nothing in the above mentioned will apply to any transactions entered into by the Company in its ordinary course of business on an arm's length basis.

Register of Contracts or Arrangements in Which Directors are Interested

The Company shall keep one or more registers giving separately the particulars of all contracts or arrangements, in such manner and containing such particulars as may be specified by the Commission, except for the contract or arrangement;

- (a) for the sale, purchase or supply of any goods, materials or services if the value of such goods and materials or the cost of such services does not exceed the limit prescribed by the Commission; or
- (b) by a banking company for the collection of bills in the ordinary course of its business.

Every director shall, within a period of thirty days of his appointment, or relinquishment of his office, as the case may be, disclose to the Company the particulars relating to his concern or interest in the other associations which are required to be included in the register or such other information relating to himself as may be specified.

The register shall be kept at the registered office of the Company and it shall be open for inspection at such office during business hours and extracts may be taken there from, and copies thereof as may be required by any member of the company shall be furnished by the Company to such extent, in such manner, and on payment of such fees as may be specified.

The register to be kept shall also be produced at the commencement of every annual general meeting of the company and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.

Approval of Related Party Transactions

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

Upon recommendation of the Audit Committee, the board will approve related party transactions and the following minimum information shall be circulated and disclosed to the directors along with agenda for Board's Meeting called for approval of related party transactions,

- (a) name of related party;
- (b) names of the interested or concerned persons or directors;
- (c) nature of relationship, interest or concern along with complete information of financial or other interest or concern of directors, managers or key managerial personnel in the related party;
- (d) detail, description, terms and conditions of transactions;
- (e) amount of transactions;
- (f) time-frame or duration of the transactions or contracts or arrangements;
- (g) pricing policy;
- (h) recommendations of the audit committee, where applicable; and
- (i) any other relevant and material information that is necessary for the Board to make a well informed decision regarding the approval of related party transactions.

If majority of the directors are interested in related party transactions, the matter will be placed before the general meeting for approval of members.

In case approval of members is required for related party transactions, the information will be provided to the members in the statement of material facts in terms of section 134 of the Companies Act, 2017 with the notice of the general meeting called for approval of the members for related party transactions.

Responsibility of Board Regarding Related Party Transactions

The Board will ensure that;

- (a) to educate and train management and relevant employees so that they can identify and report the related party transactions to the board or other authorized persons;
- (b) to provide direction as to whom a director or employee can consult, in case where they are uncertain if a transaction is a related party transaction or not;
- (c) to set general criteria to approve transactions or arrangement with related parties at various levels;
- (d) to identify and determine whether a related party transaction requires members' approval;
- (e) that any related party transactions that require members' approval are put before members;
- (f) to fix the responsibility for identification and disclosure of related party transactions; and
- (g) that the Company meets its legal and regulatory obligations in relation to related party transactions.

Every contract or arrangement entered will be referred to in the Director's Report to the shareholders along with the justification for entering into such contract or arrangement.

Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a special resolution in the general meeting, as the case may be, if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within ninety days from the date on which such contract or arrangement was entered into, such contract or arrangement will be voidable at the option of the Board and if the contract or arrangement is with a related party to any director, or is authorized by any other director, the directors concerned shall indemnify the Company against any loss incurred by it (if any).

Record to be Maintained Of Related Party Transactions And Contracts or Arrangements in Which Directors are Interested

Subject to the requirements of Sections 208 and 209 of the Act, the Company should maintain at its registered office, one or more registers with regards to transactions undertaken with related parties and contracts or arrangements in which directors are interested, as per the forms specified in Regulations and enter therein the particulars of:

- (a) contracts or arrangements, in which any director is, directly or indirectly, concerned or interested, as mentioned under section 205 of the Act; and
- (b) contracts or arrangements with a related party with respect to transactions to which section 208 of the Act applies.

The entries in the register will be made in chronological order and must be authenticated through signatures by the Company Secretary or by any other person authorized by the Board in this behalf. The Company will keep all the contracts, agreements and instruments in respect of transactions or arrangements with related parties at its registered office. The register and record will be kept in the custody of the Company Secretary or any other person authorized by the Board in this behalf and it must be preserved in good order.

The Company will provide extracts from such register to a member of the Company on his request, within seven days from the date on which such request is made upon the payment of such fee as may be specified in the articles of the Company but not exceeding ten rupees per page.

Disclosure of Information

Pursuant to the provisions of sub-section (2) of section 209 of the Act, a director shall provide information to the Company in the specified form as provided in Regulations. The director giving notice of the interest will cause it to be disclosed at the meeting of the Board held immediately after the date of the notice.

All such notices must be kept at the registered office in the custody of the Company Secretary or any other person authorized by the Board in this behalf and must be preserved in good order.

The Company shall disseminate to the Pakistan Stock Exchange information about Related Party Transactions which individually or taken together with previous transactions with a related party during a financial year, is of a value equal to or more than 10% of total assets or annual total turnover as per last year's audited financial statements of the Company, immediately upon entering into such transaction except for the transactions entered into by the Company in its ordinary course of business. The information to be disseminate must include the following:

- Name of Related Party
- Nature of Transactions
- Amount of Transaction
- Names of the Interested person(s) and their nature of interest in the transaction / related party
- The interested persons' direct or indirect shareholding in the Company
- Details, description, terms & conditions of transaction
- The rationale for and benefit to the Company of such transaction

Scope of Limitation

In the event of any conflict between the provisions of this Policy and the Companies Act, 2017 or any other statutory enactments and rules, the provision of the Companies Act, 2017 or statutory enactments, rules shall prevail.

An Abstract of Policy for Gender Diversity

Equal Opportunity Employment

Sanghar Sugar Mills Limited (the Company) fosters a culture where the people are driven to operate and perform with the highest integrity and values.

As an equal opportunity employer, the Company hires people purely on the basis of merit and is committed to providing equal access to employment to all people, regardless of race, religion, gender, nationality, or disability. The Company respects people and believes that the success of its business is created by good people working together in a team environment.

Some of the key steps taken to promote the equal opportunity mission are:

- o Empowerment of women.
- o Hiring of people with disabilities.
- o Facilitation for candidates for internships who are willing to contribute.

The principal of equal remuneration shall be applied to all workers.

The four key aspects covered in policy that drive the promotion of gender equality are:

- o Achieving equal pay for work of equal value
- o Preventing and ending violence and harassment in the world of work
- o Promoting work family balance and an equal sharing of childcare responsibilities
- o Building a future of work that works for women

1. ACHIEVING EQUAL PAY FOR WORK OF EQUAL VALUE:

- o Ensuring Commitment and leadership from the top
- o Establishing and Implementing a comprehensive equal pay policy
- o Measuring the gender pay gap and performing gender-neutral job evaluations
- o Promoting pay transparency and reporting

2. PREVENTING AND ENDING GENDER-BASED VIOLENCE AND HARASSMENT IN THE WORK PLACE:

Violence and harassment negatively impact the organization of work, workplace relations, worker engagement, enterprise reputation and productivity. Those experiencing violence and harassment at work can suffer harm to their psychological, physical and sexual health, including physical injuries, anxiety, depression, stress and other lasting impacts of trauma as well as harm to their dignity and their family and social environment.

A five step framework that the Company shall be implemented in daily functioning:

- o Raise prevention awareness;
- o Commit to all aspects of women empowerment;
- o Implement supportive policies;
- o Collaborate with other sectors; and
- o Ensure transparency and accountability.

Key Standards & other Instruments

The concept of "Violence and Harassment" in the world of work is defined as "un acceptable behaviors and practices, or threats thereof, whether a single occurrence or repeated, that aim at, result in, or are likely to result in physical, psychological, sexual or economic harm, and includes gender-based violence and harassment".

The Company is committed to eliminate violence and harassment at work and adopt a policy to:

- o Affirm that violence and harassment will not be tolerated;
- o Establish violence and harassment prevention programmes with, if appropriate, measurable objectives;
- o Specify the rights and responsibilities of the workers and the employer, including the right of the worker to remove her or himself from a situation involving violence or harassment without fear or retaliation;
- o Establish complaint and investigation procedures;
- o Ensure that all internal and external communications related to incidents of violence and harassment will be duly considered, and acted upon as appropriate;
- o Specify the right to privacy of individuals and confidentiality, while balancing the right of workers to be made aware of all hazards;
- o Include measures to address domestic violence; awareness rising, leave for victims, flexible work arrangements, temporary protection against dismissal for victims of domestic violence and referral to public mitigation measures; and
- o Institute measures to protect complainants, victims, witnesses and whistle blowers against victimization or retaliation.

Particular attention to be paid to the hazards and risks that:

- o Arise from working conditions and arrangements, work organization and human resource management, as appropriate;
- o Involved third parties such as clients, customers, service providers, users, patients and members of the public; and
- o Arise from discrimination, abuse of power relations, and gender, cultural and social norms that support violence and harassment.

Protection against Harassment of Women at the workplace Act, 2010:

To protect women against such harassment at their workplace, Government of Pakistan has implemented "Protection against Harassment of Women at the Workplace Act, 2010" in all organizations. Every organization has an internal committee to work in this regard and to undertake the measures for implementation of this Act.

3. PROMOTING WORK-LIFE BALANCE AND EQUAL SHARING OF CARE RESPONSIBILITIES:

The Company shall:

- o Provide maternity protection in line with local applicable laws
- o Prevent discrimination against pregnant women and workers with family responsibilities
- o Provide paid paternity leave and encourage uptake
- o Provide paid gender-neutral parental leave
- o Facilitate a smooth return to work after leave
- o Provide flexible working arrangements
- o Support breastfeeding in the workplace
- o Assist with on or near site subsidized childcare

4. BUILDING A FUTURE OF WORK THAT WORKS FOR WOMEN

The Company shall:

- o Provide gender-sensitive training with a focus on skilling, re-skilling and up-skilling
- o Ensure that new technology does not perpetuate gender stereotypes
- o Support women entrepreneurs in the gig economy
- o Promote the privacy and safety of women and girls in cyberspace

An Abstract of Policy for Whistleblowing

Following are an abstract of policy for Whistleblowing.

Introduction

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

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

Policy Statement

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

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

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

Scope of the Policy and Procedure

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

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

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

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

Conduct of Whistleblower

Whistleblower shall:

1. Act in good faith; explanation: protected disclosure shall not be 'in good faith' if the whistleblower has any other secret or unrelated reason for making the disclosure;
2. Have reasonable grounds to suspect that the protected disclosure indicates that the Company or regulated person has contravened or intends to contravene any administered legislation;
3. Refrain from making false accusations;
4. Take reasonable care to protect sensitive information and restrict disclosure to the relevant persons/authority only;
5. Shall only disclose the details which are related with the violations;
6. Ensure that the protected disclosure is accurate and complete to the best of his/her knowledge;
7. Provide original information;
8. Provide information voluntarily;
9. Provide complete evidence at his / her disposal to aid investigation of the issues reported; and
10. Provide information keeping in view the limitation as per Regulations.

Internal Whistleblowing

A whistleblower may make a protected disclosure before the Audit Committee or Board of Director of the Company or regulated person. If the protected disclosure is in respect of a member of the Audit Committee, such disclosure shall be made directly to the Chairman of the Board of Directors or his assigned representative.

Procedure for Internal Whistleblowing

The Whistleblower shall follow the following minimum procedure:

1. Whistleblower to report, in writing, openly or confidentially any protected disclosure;
2. To review the protected information;
3. To conduct enquiry into the allegations made and review the findings of the enquiry;
4. To determine the penalty or consequences for the employee or official who has been found involved in violation of applicable laws and rules made thereunder;
5. To report the findings of the enquiry to the Audit Committee and or Chairman of the Board of Directors of the Company, as the case may be; and
6. To report to the Commission.

Protection from Retaliation

The Company, its Board of Directors, Audit Committee or management shall ensure that no whistleblower, if he/she is an employee/former employee, is subject to any adverse action.

Procedure for Making and Investigating a Disclosure

If there are grounds for proceeding, the designated person will decide how the investigation should be undertaken. This will depend on the nature of the matter and may involve:

- o An internal investigation conducted by a sufficiently independent senior employee of the Company or its internal or external auditor;
- o An independent external inquiry.

The investigation will not be conducted by the person who may have to take a significant decision arising from the findings. It will be conducted as sensitively as possible, and normally be complete within due reasonable time of the disclosure being made. The investigation will also take into account concepts of natural justice and the need to safeguard individual reputations.

When an allegation concerns a named individual, the person concerned will be informed of the allegation and of the evidence supporting it. He/she will be invited to respond to the allegation as part of the investigation and/or before any final conclusion is reached. The point at which it is appropriate for the individual to be informed will depend on the nature of the case.

In any hearing under these procedures, the individual making the disclosure and the person against whom an allegation has been made are both entitled to be accompanied by his/her representative. The findings of any investigation will be reported to the designated person who will reach a decision on any further action to be taken.

Following an initial investigation, other internal procedures may be identified as relevant and may be invoked. In some cases, it may be appropriate to refer a matter outside the Company for further investigation. The designated person will inform the individual making the disclosure of the conclusion reached and what action, if any, is to be taken and why.

If the individual making the disclosure is dissatisfied about how an inquiry was carried out, and its resultant outcome, then he/she may appeal but only on procedural grounds, to the Chairman of the Board / Audit Committee, who may order a procedural review and establish its terms of reference.

A report summarizing all disclosures and inquiries and any subsequent actions taken will be made by the designated person to the Board / Audit Committee and such reports will be retained for a minimum of ten years.

Individual making a disclosure

The identity of the individual making an allegation will remain confidential, unless otherwise agreed with that individual, as long as it does not hinder or frustrate the investigation and is compatible with natural justice. However, the investigation process may at some stage need to reveal the source of the information, and the individual making the disclosure may at that stage need to provide an attributable statement as part of the evidence to be presented.

Unsubstantiated Allegations

No action will be taken against an individual who makes an allegation in good faith even if it is not confirmed by subsequent investigation. If, however, an individual makes what are subsequently determined to be malicious or vexatious allegations or made for personal gain, and particularly if he or she persists in making them, disciplinary action may be taken. A disclosure may be deemed malicious or vexatious at any stage of the procedure.

Others

This policy and procedure is designed to clarify for individuals the route through which concerns can be raised and to assure them that such matters will be taken seriously and acted upon within the Company. The Company takes the view that in the vast majority of cases an internal investigation and decision is likely to be the most appropriate course of action.

If an individual raises matters of concern outside the Company, without first using this procedure, he/she may be in breach of the procedure. That is potentially a disciplinary offence, especially if it causes, or might have caused, unnecessary reputational damage of the Company. In particular, it would not usually be considered appropriate for matters to be raised publicly before an investigation is completed.

Report of The Audit Committee on Compliance with the Regulatory Requirements

The Audit Committee has concluded its annual review of the conduct and operations of the Company during the financial year ended September 30, 2023 and reports that:

THE AUDIT COMMITTEE:

- o The Audit Committee (the Committee) is constituted by the Board and comprises of three Members, all are non-executive Directors and the Chairman and one Member of the Committee are Independent Directors.
- o The Committee members are financially literate with immense experience in the fields of finance, governance and business management.
- o The Committee is accountable to the Board for the determination of appropriate measures to safeguard the Company's assets, review of the Company's internal control systems prior to endorsement by the Board, review the internal audit reports and forwarded to the Board for consideration, recommendation of appointment of external auditors, directing and monitoring the audit function, reviewing the adequacy and quality of the audit process and recommendation to the Board for approval of related party transactions.
- o The Committee gives additional assurance to the Board for the accuracy of the financial information and also ensures that the Company has an effective internal control framework.

CORPORATE GOVERNANCE:

- o The Company has issued a "Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019" (Compliance Statement) along-with the details of non-compliances of non-mandatory Regulations with the explanations thereon, which has also been reviewed by the Statutory Auditors of the Company and issued a Review Report thereon.
- o The Committee has also reviewed the Compliance Statement and confirm that the requirements of the Regulations have been complied except for those as stated therein for non-mandatory Regulations.
- o The Committee ensured that the Company has prepared "Code of Conduct" and has further ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
- o The Committee ensured that a complete record of particulars of significant policies along-with the dates on which they were approved or amended has been maintained.

FINANCIAL STATEMENTS:

- o The Committee has briefly reviewed the details, contents and the adequacy of the details and information reported in the Directors' Review on Condensed Interim Financial Statements during the year and the Directors' Report on Annual Financial Statements.
- o The Chief Executive Officer and the Chief Financial Officer have endorsed the financial statements of the Company before presenting to the Committee and the Board. They acknowledge their responsibility for true and fair presentation of the Company's financial statements, accuracy of reporting, compliance with regulations, applicable accounting standards, establishment and maintenance of internal controls and systems of the Company.
- o The Annual Audited Financial Statements presents a true and fair view of the Company's affairs, results of operations, profits, cash flows and changes in equity for the year under review.

- o The Committee has reviewed the Condensed Interim Quarterly Financial Statements and Annual Audited Financial Statements for the year 2022-23 and recommended to the Board for approval and focused on the followings:
 - Major judgmental areas
 - Significant adjustments resulting from the audit (if any)
 - Going concern assumptions
 - Changes in accounting policies and practices (if any)
 - Compliance with accounting policies and practices
 - Compliance with rules, regulations, statutory and regulatory requirements
 - All related party transactions
- o The Related Party Transactions made by the Company in the normal course of business has been reviewed by the Committee and recommended to the Board for approval.
- o Accounting estimates are based on reasonable and prudent judgments. Certain valuation reports like Revaluation Report of Property, plant & equipment and the Actuarial Valuation of retirement benefits conducted by the third party professionals have been examined and incorporated in the Financial Statements. Proper and adequate accounting records have been maintained by the Company. The Financial Statements comply with the requirements of Companies Act, 2017 and the external reporting is consistent with management processes and adequate for shareholders need.
- o Proper books of account have been kept by the Company as required by the Companies Act, 2017. The statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 and are in agreement with the books of account and returns of the Company.
- o The Committee reviewed all the announcement of results of the Company prior to external communication and publication.

INTERNAL CONTROLS:

- o The Company's system of internal controls are sound in design and has been continually evaluated for effectiveness and adequacy.
- o The Committee has ensured the achievement of operational, compliance, risk management, financial reporting, control objectives and safeguarding of the assets of the Company.
- o The Risk Management Framework defines a formal and uniform process for risk identification, capturing relevant details, assessment of likelihood, impact and mitigation actions.
- o The Risk Management Framework is reviewed and monitored annually by the Risk Management Committee and the Audit Committee for recommendations to the Board.
- o Coordination between the External and Internal Auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with the Laws and Regulations.
- o There were no complaints and or cases reported to the Committee during the year regarding accounting & internal controls, fraud and whistle blowing.

INTERNAL AUDIT:

- o The Committee confirmed that the Head of Internal Audit is experienced and conversant with the Company's policies and procedures.
- o The Head of Internal Audit has direct access to the Chairman of the Audit Committee and conduct meetings without the presence of management. The Committee has ensured that the function has the necessary access to the management and right to seek the information and explanations.

- o The Committee ensured that the Internal Audit Plan provides a financial and business segment wise coverage and devotes effort to the review of the risk management framework surrounding the major business risk.
- o Internal Audits were executed across all business by suitably qualified and experienced employees of the internal audit department, who are well conversant of the Company's policies, procedures, relevant rules, regulations and laws. The Internal Audit were conducted its assignments, based on the Internal Audit Plan approved by the Board, as recommended by the Audit Committee.
- o Based on the Internal Audit, observations were discussed taking appropriate action or bringing the matters to the Board's attention, where required. The recommendations of the internal auditors were discussed with management and agreed for implementation. Follow-up report of implementation has been submitted to the Committee, as and when necessary.

EXTERNAL AUDITORS

- o The Audit Committee has reviewed and discussed the Key Audit Matters and observations with the external auditors. The Management Letter issued by the External Auditors on audit observations for the year 2021-22 was discussed with them by the Committee and for the year 2022-23 will be discussed with-in the specified time, as required by the Code of Corporate Governance.
- o The Committee conducted meeting with External Auditors and discussed the matters that the external auditors wished to highlight were freely discussed with them, as required by the regulations. The Committee also met the External Auditors in the absence of Chief Financial Officer and the Head of Internal Audit, in accordance with the requirements of the Code of Corporate Governance.
- o The Committee has recommended the re-appointment of external auditors and their remuneration, the provision of any service permissible to be rendered to the Company by the external auditors in addition to the audit of financial statements for the ensuing financial year 2023-24.

Karachi: December 18, 2023

M. Abdul Jabbar
Chairman - Audit Committee

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

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

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

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

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

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

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

CHARTERED ACCOUNTANTS

Place: Karachi

Date: December 27, 2023

UDIN: CR202310222tVaq4syDM

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

Name of the Company: Sanghar Sugar Mills Limited

Year Ending : September 30, 2023

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

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

Independent Directors

Male - Two

Female - One

Non-Executive Directors

Male - Three

Executive Directors

Male - Two
3. The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this company.
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ Shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.
8. The Board have formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The following are the details of Directors who are duly Certified or exempted from Directors' Training Program:
 1. Mr. Ghulam Dastagir - Certified
 2. Mr. Ghulam Hyder - Certified
 3. Mr. Muhammad Qasim - Certified
 4. Mr. M. Abdul Jabbar - Certified
 5. Mr. Rahim Bux - Certified
 6. Mr. Shahid Aziz - Certified
 7. Ms. Nazia Azam - Certified
 8. Haji Khuda Bux Rajar - Exempted
10. During the year, the Board has approved appointment of Head of Internal Audit including his remuneration, terms and conditions of employment. No new appointments of Chief Financial Officer and Company Secretary has

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

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed committees comprising of members given below:
 - a) **Audit Committee:**

Mr. Rahim Bux	Chairman
Mr. Shahid Aziz	Member
Mr. M. Abdul Jabbar	Member
 - b) **Human Resource and Remuneration Committee:**

Mr. Rahim Bux	Chairman
Mr. Ghulam Hyder	Member
Mr. M. Abdul Jabbar	Member
 - c) **Risk Management Committee:**

Mr. Shahid Aziz	Chairman
Haji Khuda Bux Rajar	Member
Mr. Ghulam Dastagir Rajar	Member
 - d) **Corporate Social Responsibility Committee:**

Mr. Ghulam Dastagir Rajar	Chairman
Mr. Muhammad Qasim	Member
Ms. Nazia Azam	Member
Syed Rehan Ahmad Hashmi	Member
 - e) **Information Technology & Steering Committee:**

Mr. Ghulam Hyder	Chairman
Syed Rehan Ahmad Hashmi	Member
Mr. Sheraz Khan	Member
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committee were as per following:
 - a) Audit Committee Five meetings
 - b) Human Resource and Remuneration Committee Two meetings
 - c) Risk Management Committee Two meetings
 - d) Corporate Social Responsibility Committee Two meetings
 - e) Information Technology & Steering Committee Two meetings
15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Companies Act, 2017, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

S. No.	Regulation No.	Requirement	Explanation of Non-Compliance
1	5	Representation of Minority Shareholders - The minority members as a class shall be facilitated by the Board to contest election of directors.	None of the person representing minority shareholders, filed Consent to act as director with the Company during the timeline as specified in the Election of Directors held on November 02, 2023. Therefore, the elected Directors of the Company will take due care of minority shareholders.
2	10(1)	Responsibilities of the Board of Directors - Adoption of Corporate governance practices by the Company	Non-mandatory provision of the Regulations and are partially complied. The Company is deliberating on full compliance with all the provisions of Regulations.
3	29	Nomination Committee - The Board may constitute a separate committee, designated as the nomination committee, of such number and class of Directors, as it may deem appropriate in its circumstances.	Currently, the Board has not constituted a separate nomination committee and the functions are being performed by the Human Resource and Remuneration Committee.
4	35	Disclosure of Significant Policies on website - The Company may post key elements of its significant policies, brief synopsis of terms of reference of the Board's Committees on its website and key elements of the Directors' remuneration policy.	All the policies are well circulated among the relevant employees and Directors, the Board shall consider posting such policies and synopsis on its website in near future.

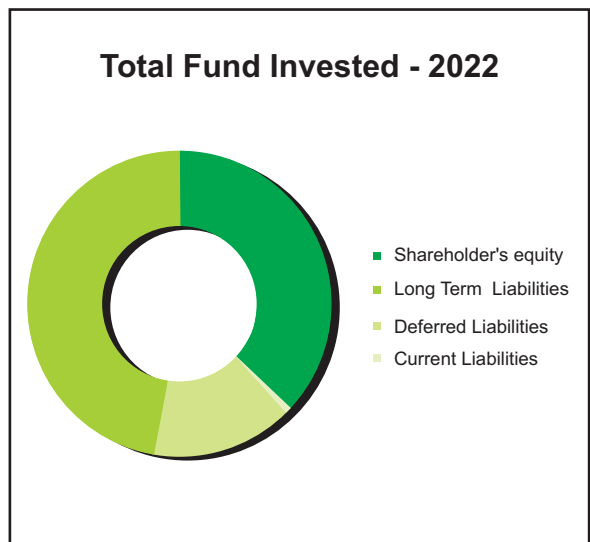
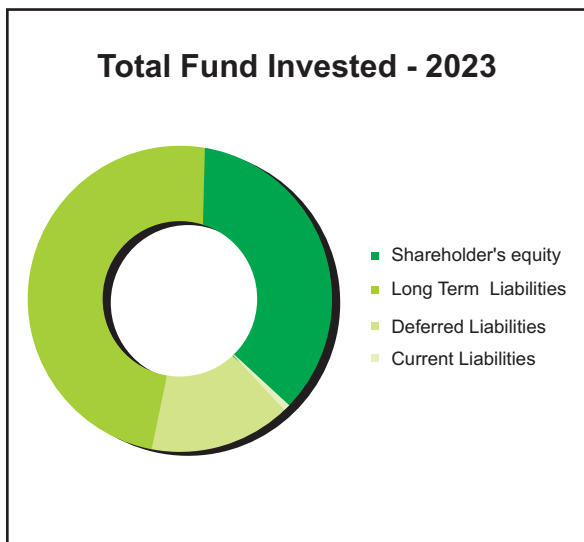
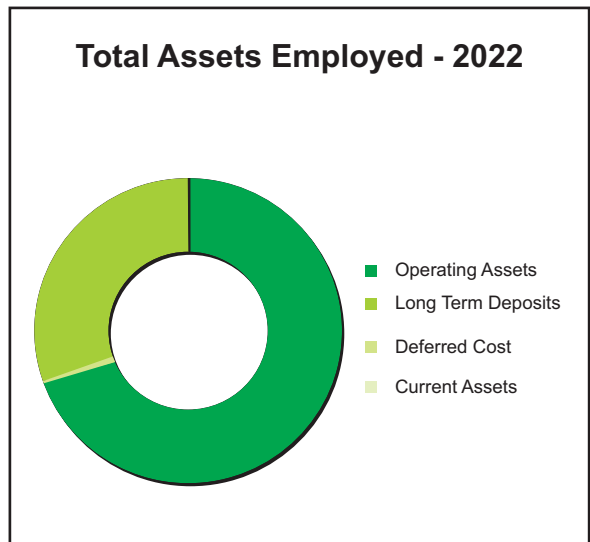
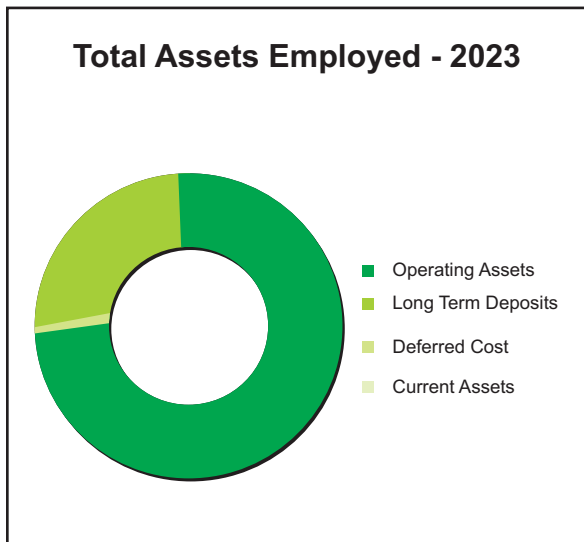
Karachi: December 18, 2023

Ghulam Dastagir Rajar
Chairman

KEY OPERATING & FINANCIAL HIGHLIGHTS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
OPERATIONAL DATA										
Duration of Season (Days)	85	125	108	109	100	142	133	117	137	151
Cane crushed (Tons)	406,402.792	581,109.556	451,275.963	387,302.875	490,932	712,124	625,237	563,617	630,317	738,209
Sucrose Recovery (%)	10.263	10.635	10.012	10.263	10.76	10.37	10.12	10.20	10.19	9.81
Sugar Made (Tons)	41,711.25	61,785.00	45,239.50	39,804.25	52,799.25	73,776	63,380	57,387.5	64,271	72,530
Molasses (Tons)	21,300.00	26,291.34	18,720	16,802	23,590	42,017	30,300	27,040	34,299	39,260
All figures are in Rs in '000										
PROFIT OR LOSS RESULTS										
Turnover - Net	3,922,156	3,872,185	2,860,053	2,938,182	2,770,439	3,405,535	2,583,232	2,832,657	2,869,164	3,196,951
Gross Profit / (Loss)	519,742	360,641	32,913	156,161	131,778	98,520	(70,660)	151,582	257,087	213,749
Operating Profit / (Loss)	281,506	177,281	(92,060)	49,137	24,059	146,802	(165,398)	59,919	170,905	135,446
Profit / (Loss) before taxation	132,451	70,466	(16,094)	(98,846)	(148,608)	24,868	(259,678)	11,060	89,783	36,091
Profit / (Loss) after taxation	104,883	1,609	(29,826)	(118,755)	(98,855)	19,426	(287,104)	13,953	57,400	8,732
ASSETS EMPLOYED										
Operating Assets	3,552,387	3,707,666	2,615,681	2,712,815	2,807,695	2,909,416	1,745,965	1,465,348	1,167,508	1,146,845
Long Term Deposits	1,059	4,586	20,581	20,231	17,323	18,823	20,961	15,467	10,966	9,478
Deferred Cost	—	—	—	—	—	8,771	17,543	28,885	33,373	—
Current Assets	1,468,147	1,622,488	1,220,197	606,939	815,755	1,131,843	1,302,916	915,207	688,656	670,133
Total Assets Employed	5,021,593	5,334,740	3,856,459	3,339,985	3,640,773	4,068,853	3,087,385	2,424,907	1,900,503	1,826,456
FINANCED BY										
Shareholder's equity	2,057,446	1,965,075	1,080,845	1,108,108	1,223,854	1,330,699	569,165	863,437	860,635	798,148
Long Term Liabilities	—	1,752	114,145	247,536	145,670	250,863	345,291	262,532	103,640	23,174
Deferred Liabilities	842,488	850,123	483,704	508,584	519,916	603,790	300,074	295,067	325,349	320,838
Current Liabilities	2,121,659	2,517,790	2,177,765	1,475,757	1,751,333	1,883,501	1,872,855	1,003,871	610,879	684,296
Total Fund Invested	5,021,593	5,334,740	3,856,459	3,339,985	3,640,773	4,068,853	3,087,385	2,424,907	1,900,503	1,826,456

Graphical Presentation of Financial Highlights



Horizontal Analysis of Financial Statements

	2023	2022	2021	2020	2019	2023	2022	2021	2020	2019
	Rupees in 000					Variance in %				
FINANCIAL POSITION										
Total Non-Current Assets	3,553,446	3,712,252	2,636,262	2,733,046	2,825,018	(4.28)	40.81	(3.54)	(3.26)	(3.81)
Total Current Assets	1,468,147	1,622,488	1,220,197	606,939	815,755	(9.51)	32.97	101.04	(25.60)	(27.93)
Total Assets	5,021,593	5,334,740	3,856,459	3,339,985	3,640,773	(5.87)	38.33	15.46	(8.26)	(10.52)
Total Equity & Surplus on revaluation	2,057,446	1,965,075	1,080,845	1,108,108	1,223,854	4.70	81.81	(2.46)	(9.46)	(8.03)
Total Non-Current Liabilities	842,488	851,875	597,849	756,120	665,586	(1.10)	42.49	(20.93)	13.60	(22.12)
Total Current Liabilities	2,121,659	2,517,790	2,177,765	1,475,757	1,751,333	(15.73)	15.61	47.57	(15.74)	(7.02)
Total Equity & Liabilities	5,021,593	5,334,740	3,856,459	3,339,985	3,640,773	(5.87)	38.33	15.46	(8.26)	(10.52)
PROFIT OR LOSS										
Sales	3,922,156	3,872,185	2,860,053	2,938,182	2,770,439	1.29	35.39	(2.66)	6.05	(18.65)
Cost of sales	(3,402,414)	(3,511,544)	(2,827,140)	(2,782,021)	(2,638,661)	(3.11)	24.21	1.62	5.43	(20.21)
Gross Profit	519,742	360,641	32,913	156,161	131,778	44.12	995.74	(78.92)	18.50	(33.76)
Trading activities	—	111	—	—	—	(100.00)	100.00	—	—	(100.00)
Distribution cost	(11,153)	(696)	(766)	(710)	(12,698)	1,502.44	(9.14)	7.89	(94.41)	(69.68)
Administrative expenses	(134,539)	(132,656)	(114,239)	(99,630)	(91,136)	1.42	16.12	14.66	9.32	0.18
Other operating expenses	(92,544)	(50,119)	(9,968)	(6,684)	(6,364)	84.65	402.80	49.13	5.03	(18.54)
Other income	2,155	3,664	187,106	5,463	2,479	(41.18)	(98.04)	3,324.97	120.37	(98.66)
Operating Profit	283,661	180,945	95,046	54,600	24,059	56.77	90.38	74.08	126.94	83.61
Finance cost	(151,210)	(110,479)	(111,140)	(153,446)	(172,667)	36.87	(0.59)	(27.57)	(11.13)	41.61
Profit / (Loss) before taxation	132,451	70,466	(16,094)	(98,846)	(148,608)	87.96	537.84	(83.72)	(33.49)	697.59
Taxation	(27,568)	(68,857)	(13,732)	(19,909)	49,753	(59.96)	401.43	(31.03)	(140.02)	(1,014.24)
Profit / (Loss) after taxation	104,883	1,609	(29,826)	(118,755)	(98,855)	6,418.52	105.39	(74.88)	20.13	608.88

Vertical Analysis of Financial Statements

	2023 Rupees in 000	2023 %	2022 Rupees in 000	2022 %	2021 Rupees in 000	2021 %	2020 Rupees in 000	2020 %	2019 Rupees in 000	2019 %
FINANCIAL POSITION										
Total Non-Current Assets	3,553,446	70.76	3,712,252	69.59	2,636,262	68.36	2,733,046	81.83	2,825,018	77.59
Total Current Assets	1,468,147	29.24	1,622,488	30.41	1,220,197	31.64	606,939	18.17	815,755	22.41
Total Assets	5,021,593	100.00	5,334,740	100.00	3,856,459	100.00	3,339,985	100.00	3,640,773	100.00
Total Equity & Surplus on revaluation	2,057,446	40.97	1,965,075	36.84	1,080,845	28.03	1,108,108	33.18	1,223,854	33.62
Total Non-Current Liabilities	842,488	16.78	851,875	15.97	597,849	15.50	756,120	22.64	665,586	18.28
Total Current Liabilities	2,121,659	42.25	2,517,790	47.20	2,177,765	56.47	1,475,757	44.18	1,751,333	48.10
Total Equity & Liabilities	5,021,593	100.00	5,334,740	100.00	3,856,459	100.00	3,339,985	100.00	3,640,773	100.00
PROFIT OR LOSS										
Sales	3,922,156	100.00	3,872,185	100.00	2,860,053	100.00	2,938,182	100.00	2,770,439	100.00
Cost of sales	(3,402,414)	(86.75)	(3,511,544)	(90.69)	(2,827,140)	(98.85)	(2,782,021)	(94.69)	(2,638,661)	(95.24)
Gross Profit	519,742	13.25	360,641	9.31	32,913	1.15	156,161	5.31	131,778	4.76
Trading activities	—	—	111	0.00	—	—	—	—	—	—
Distribution cost	(11,153)	(0.28)	(696)	(0.02)	(766)	0.03	(710)	(0.02)	(12,698)	(0.46)
Administrative expenses	(134,539)	(3.43)	(132,656)	(3.43)	(114,239)	(3.99)	(99,630)	(3.39)	(91,136)	(3.29)
Other operating expenses	(92,544)	(2.36)	(50,119)	(1.29)	(9,968)	(0.35)	(6,684)	(0.23)	(6,364)	(0.23)
Other income	2,155	0.05	3,664	0.09	187,106	6.54	5,463	0.19	2,479	0.09
Operating Profit	283,661	7.23	180,945	4.67	95,046	3.32	54,600	1.86	24,059	0.87
Finance cost	(151,210)	(3.86)	(110,479)	(2.85)	(111,140)	(3.89)	(153,446)	(5.22)	(172,667)	(6.23)
Profit / (Loss) before taxation	132,451	3.38	70,466	1.82	(16,094)	(0.56)	(98,846)	(3.36)	(148,608)	(5.36)
Taxation	(27,568)	(0.70)	68,857	1.78	13,732	0.48	19,909	0.68	(49,753)	(1.80)
Profit / (Loss) after taxation	104,883	2.67	1,609	0.04	(29,826)	(1.04)	(118,755)	(4.04)	(98,855)	(3.57)

Stakeholder Engagement, Investor Relations & Financial Ratios

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

Shareholders

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

Regulators

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

Customers & Suppliers

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

Employees

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

Community

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

Financial Reporting & Communication

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

Media & Website

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

Public Information

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

Financial Ratios

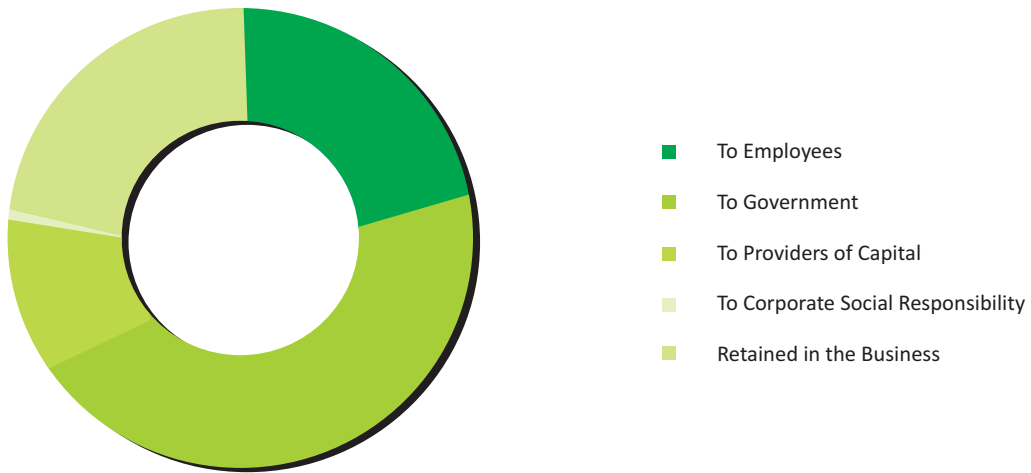
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>PROFITABILITY RATIOS</u>										
Gross Profit Ratio (%)	13.25	9.31	1.15	5.31	4.76	2.89	(2.74)	5.35	8.96	6.69
Net Profit to Sales (%)	2.67	0.04	(1.04)	(4.04)	(3.57)	0.57	(11.11)	0.49	2.00	0.27
Return on Capital Employed (%)	13.79	9.21	8.79	4.93	1.97	11.03	(85.28)	12.82	37.87	36.52
<u>TURNOVER RATIOS</u>										
Inventory Turnover Ratio	3.04	3.44	5.50	6.51	3.78	3.51	3.12	4.59	5.21	8.01
Fixed Assets Turnover Ratio	110.41	104.44	109.35	108.31	98.67	117.05	147.96	193.37	245.93	278.88
<u>INVESTOR INFORMATION</u>										
Price Earning Ratio	1.42	103.94	(6.49)	(1.74)	(3.15)	15.36	(1.55)	36.39	5.31	34.89
Market Value per Share	12.50	14.00	16.20	17.34	26.05	24.98	37.35	42.50	41.74	25.50
Book Value per Share	172.23	164.50	90.48	92.76	102.45	111.39	54.02	46.68	37.78	31.04
Earning / (Loss) per Share	8.78	0.13	(2.50)	(9.94)	8.28	1.63	(24.03)	1.17	4.80	0.73
<u>LIQUIDITY RATIOS</u>										
Current Ratio	0.69	0.64	0.56	0.41	0.47	0.60	0.69	0.91	1.13	0.98
<u>CAPITAL STRUCTURE RATIOS</u>										
Debt Equity Ratio	0.05	0.42	0.97	0.68	0.86	1.05	3.10	1.11	0.53	0.69
Interest Cover Ratio	1.88	1.64	0.86	0.36	0.14	1.20	(1.75)	1.23	2.11	1.36

Statement of Value Addition and its Distribution

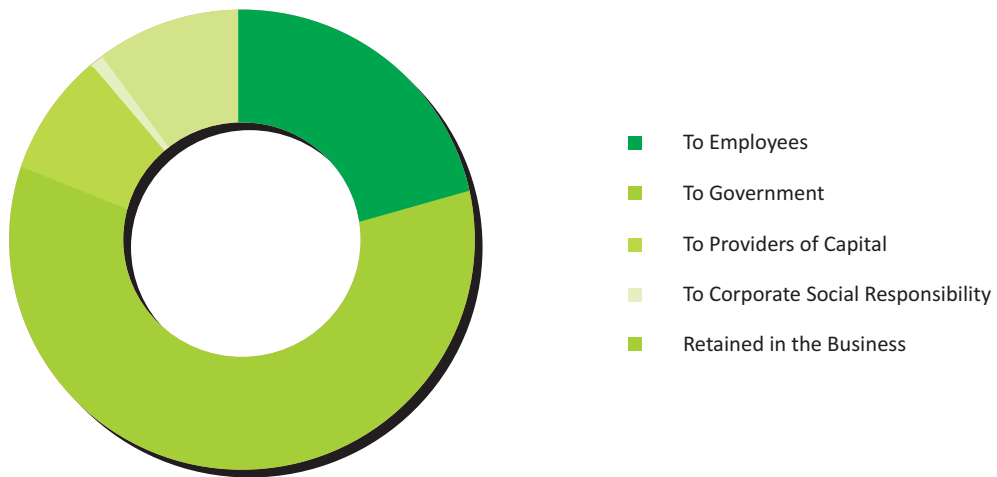
	..... 2023 .....		..... 2022	
Value Addition	(Rs. '000)	%	(Rs. '000)	%
Turnover Gross	5,225,178	99.959	5,159,920	99.929
Other Income	2,155	0.041	3,664	0.071
	<u>5,227,333</u>	<u>100.000</u>	<u>5,163,584</u>	<u>100.000</u>
Cane Procurement and related expenses	3,175,764	83.151	3,999,852	104.642
Other Expenses	643,515	16.849	(177,440)	(4.642)
	<u>3,819,279</u>	<u>100.000</u>	<u>3,822,412</u>	<u>100.000</u>
	<u>1,408,053</u>	<u>26.936</u>	<u>1,341,172</u>	<u>25.974</u>
Value Distribution				
Distributed as follows				
To Employees				
– Remuneration	284,508	20.206	283,518	21.140
	<u>284,508</u>		<u>283,518</u>	
To Government				
– Sales Tax & Others	634,330	45.050	700,409	52.224
– Income Tax	60,139	4.271	64,002	4.772
– Deferred Tax	(34,961)	(2.483)	21,851	1.629
– Cess & Fees	6,604	0.469	9,442	0.704
	<u>666,112</u>		<u>795,704</u>	
To Providers of Capital				
– Finance Cost	151,210	10.739	110,479	8.237
	<u>151,210</u>		<u>110,479</u>	
To Corporate Social Responsibility				
– Charity & Donations	7,142	0.507	9,772	0.729
	<u>7,142</u>		<u>9,772</u>	
Retained in the Business				
– Depreciation & Amortization	194,198	13.792	140,090	10.445
– Profit for the year	104,883	7.449	1,609	0.120
	<u>299,081</u>		<u>141,699</u>	
	<u>1,408,053</u>	<u>100.000</u>	<u>1,341,172</u>	<u>100.000</u>

Graphical Presentation of Value Distribution

Value Distribution - 2023



Value Distribution - 2022



Independent Auditors' Report

to the Members of Sanghar Sugar Mills Limited

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 23.1.3 of the annexed financial statements, which describes the uncertainty related to the outcome of legal matters related to minimum sugar cane price and other matters. Our opinion is not qualified in respect of this matter.

Key Audit Matter

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

S.No.	Key audit matter	How the matter was addressed in our audit
1.	<p>Contingencies</p> <p>The Company is under litigations in respect of various matters from years related to sugar price fixation and other sugar industry matters including tax orders and related contingencies as well as other miscellaneous claims in respect of the assets/ payables of the Company as disclosed in note 23 of the annexed financial statements. These contingencies requires continuous follow up of management's judgments and estimates in relation to the interpretation of relevant laws, notifications and regulations and the recognition and measurement of any provisions that may be required against such contingencies. Due to inherent uncertainties and the time period such matters may take to resolve, the management judgments and estimates in relation to such contingencies may be complex and can significantly impact the annexed financial statements. Accordingly these are considered as key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ● Assessing management's processes to identify new possible litigations, obligations and changes in existing obligations through inquiries from management and review of the minutes of meetings of the Board of Directors and Audit Committee. ● Review of the relevant information including case proceedings, interim and final adjudication orders with related industry information and correspondences in respect of the ongoing litigations. ● Obtaining confirmation from the legal counsel of the Company to evaluate the status of the resolved and pending litigations on the reporting date and view point of the Company's legal counsel thereon. ● Examining legal and professional expenses to confirm that all pending legal matters are identified and disclosed. ● Re-computing the amounts of obligations and recorded liabilities based on available underlying information and confronted parameters. ● Assessing the adequacy and appropriateness of the related disclosures made in the accompanying financial statements in light of IAS-37 "Provisions and Contingencies".
2.	<p>Recognition of Revenue</p> <p>The company is engaged in the production and sale of sugar and by-products and recognized revenue there from for the year ended 30 September 2023.</p> <p>We identified recognition of revenue as a key audit matter in consistency with the previous year keeping in view the importance and relevance thereto with the materiality as well as complexity of revenue being one of the key performance indicators of the Company and gives rise to an inherent risk that revenue could be subject to misstatement to meet expectations or targets.</p> <p>(Refer to note 4.12 and 24 to the financial statements).</p>	<p>Our audit procedures to assess the recognition of revenue included the following:</p> <ul style="list-style-type: none"> ● Obtaining an understanding of the process relating to recognition of revenue and assessing the design, implementation and operating effectiveness of key internal controls over recording of revenue. ● Assessing the appropriateness of the Company's accounting policies for revenue recognition under distressed circumstances and compliance of those policies with applicable accounting standards. ● Obtaining an understanding of the nature of the revenue, testing a sample of sales contracts to confirm our understanding and assessing whether or not management's application of IFRS 15 requirements was in accordance with the standard. ● Performing analytical procedures and test of details by selecting samples of transactions for comparing with sales orders, sales invoices, delivery orders and other underlying records. ● Comparing a sample of revenue transactions recorded during the year end with the sales orders, sales invoices, delivery orders and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period. ● Reviewing the adequacy of disclosure as required under applicable financial reporting framework.

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

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, 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) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) In our opinion, no Zakat was deductible at source under Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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

CHARTERED ACCOUNTANTS

Place: Karachi

Date: December 18, 2023

UDIN: AR202310222kD8f7ZOSP

Statement of Financial Position

As at September 30, 2023

		September 30 2023	September 30 2022
	Notes	(Rupees in '000)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	3,552,387	3,707,666
Long term deposits	6	1,059	4,586
		3,553,446	3,712,252
CURRENT ASSETS			
Stores, spare parts and loose tools	7	82,686	61,407
Stock-in-trade	8	977,463	1,263,429
Trade Debts	9	27,924	32,754
Loans and advances	10	129,787	127,996
Trade deposits & short term prepayments	11	2,072	2,056
Other receivables	12	103,368	56,239
Income tax refundable - net of provision		25,316	27,706
Cash and bank balances	13	119,531	50,901
		1,468,147	1,622,488
TOTAL ASSETS		5,021,593	5,334,740
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital			
20,000,000 shares of Rs.10 each		200,000	200,000
Issued, subscribed and paid up capital	14	119,460	119,460
Unappropriated profit		252,764	68,999
Surplus on revaluation of property, plant & equipment	15	1,685,222	1,776,616
		2,057,446	1,965,075
NON CURRENT LIABILITIES			
Long term financing	16	—	—
Lease Liabilities	17	—	1,752
Deferred liabilities	18	842,488	850,123
Deferred Government grant	19	—	—
		842,488	851,875
CURRENT LIABILITIES			
Trade and other payables	20	2,009,318	1,655,730
Accrued finance cost	21	6,394	34,060
Short term borrowings	22	100,000	734,855
Unclaimed dividend		4,696	4,696
Current portion of long term financing	16	—	74,022
Current portion of lease liabilities	17	1,251	14,427
		2,121,659	2,517,790
CONTINGENCIES AND COMMITMENTS			
	23	—	—
TOTAL EQUITY AND LIABILITIES		5,021,593	5,334,740

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

Chief Executive

Director

Chief Financial Officer

Statement of Profit or Loss

For the year ended September 30, 2023

	Notes	September 30 2023 (Rupees in '000)	September 30 2022
Sales	24	3,922,156	3,872,185
Cost of sales	25	3,402,414	3,511,544
Gross Profit		519,742	360,641
Trading activities	26	—	111
Distribution cost	27	11,153	696
Administrative expenses	28	134,539	132,656
Other operating expenses	29	92,544	50,119
		238,236	183,471
Operating Profit		281,506	177,281
Other income	30	2,155	3,664
		283,661	180,945
Finance cost	31	151,210	110,479
Profit before taxation		132,451	70,466
Taxation	32	27,568	68,857
Profit after taxation		104,883	1,609
Earnings per share - Basic and diluted (Rupees)	33	8.78	0.13

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

Chief Executive

Director

Chief Financial Officer

Statement of Comprehensive Income

For the year ended September 30, 2023

	Notes	September 30 2023 (Rupees in '000)	September 30 2022
Profit after taxation		104,883	1,609
Other Comprehensive Income			
Items that will not be reclassified to statement of profit or loss			
Remeasurement loss on actuarial valuation of defined benefit plan	18.3.4	(18,134)	(9,766)
Related deferred tax	18.1	5,622	2,832
		(12,512)	(6,934)
Items that may be reclassified subsequently to statement of profit or loss			
Surplus on remeasurement of property, plant and equipment during the year	15	—	1,208,373
Related deferred tax	18.1	—	(318,818)
		—	889,555
Total Comprehensive Profit		92,371	884,230

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

Chief Executive

Director

Chief Financial Officer

Statement of Changes in Equity

For the year ended September 30, 2023

	Issued, Subscribed & Paid-up Capital	Unappropriated profit	Capital Reserve - Surplus on revaluation of property, plant & equipment	Total
	(Rs in '000)			
Balance as at October 01, 2021	119,460	24,683	936,702	1,080,845
Total Comprehensive profit for the year ended September 30, 2022	—	(5,325)	889,555	884,230
Incremental depreciation charged on surplus on revaluation of property, plant & equipment - net of deferred tax	—	49,641	(49,641)	—
Balance as at September 30, 2022	<u>119,460</u>	<u>68,999</u>	<u>1,776,616</u>	<u>1,965,075</u>
Balance as at October 01, 2022	119,460	68,999	1,776,616	1,965,075
Total Comprehensive profit for the year ended September 30, 2023	—	92,371	—	92,371
Incremental depreciation charged on surplus on revaluation of property, plant & equipment - net of deferred tax	—	91,394	(91,394)	—
Balance as at September 30, 2023	<u>119,460</u>	<u>252,764</u>	<u>1,685,222</u>	<u>2,057,446</u>

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

Chief Executive

Director

Chief Financial Officer

Statement of Cash Flows

For the year ended September 30, 2023

	Notes	September 30 2023 (Rupees in '000)	September 30 2022
Profit before taxation		132,451	70,466
Adjustment for non cash charges and other items:			
Depreciation	5.1.2	190,653	131,366
Depreciation on right-of use assets	5.3	3,545	8,724
Employees retirement benefits expense	18.3.2 & 18.4.2	26,167	21,162
Provision for slow moving items & obsolescence	7.1	2,054	2,515
Provision for market committee fee	18.2	4,064	5,811
Gain on sale of property, plant & equipment	5.1.3	(1,188)	(1,157)
Finance cost	31	151,210	110,479
		376,505	278,900
Cash flow from operating activities before adjustment of working capital changes		508,956	349,366
Changes in Working capital			
(Increase) / Decrease in current assets			
Stores, spare parts and loose tools		(23,333)	(9,263)
Stock - in - trade		285,966	(484,618)
Trade debts		4,830	111,486
Loans and advances		(1,791)	(5,065)
Trade deposits & Short term prepayments		(16)	4,892
Other receivables		(47,129)	(9,159)
		218,527	(391,727)
Increase in current liabilities			
Trade and other payables		353,588	449,939
		1,081,071	407,578
Employees retirement benefits paid during the year		(15,417)	(8,157)
Finance cost paid during the year		(178,876)	(110,718)
Decrease in long term deposits		3,527	15,995
Income taxes paid during the year		(60,139)	(64,002)
		(250,905)	(166,882)
Net cash inflow from operating activities		830,166	240,696

	Notes	September 30 2023 (Rupees in '000)	September 30 2022
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant & equipment	5.1.3	1,424	6,190
Additions to property, plant and equipment		(39,155)	(28,735)
Net cash outflow from investing activities		(37,731)	(22,545)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of long term financing		(74,022)	(133,456)
Payments of lease liabilities		(14,928)	(52,648)
Net cash outflow from financing activities		(88,950)	(186,104)
Net increase in cash and cash equivalents		703,485	32,047
Cash and cash equivalents at beginning of the year		(683,954)	(716,001)
Cash and cash equivalents at end of the year	34	19,531	(683,954)

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

Chief Executive

Director

Chief Financial Officer

Notes to the Financial Statements

For the year ended September 30, 2023

1 COMPANY AND ITS OPERATIONS

1.1 The Company is a public limited Company incorporated in 1986 in Pakistan and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Office No. 204, 2nd Floor, Clifton Centre, Block 5, Clifton, Karachi.

1.2 The Company is principally engaged in the manufacture and sale of sugar and sale of its by-products i.e. molasses and bagasse. The Company has also installed bagasse fired transmission equipment to sell surplus electric power. The manufacturing facilities are located at Sanghar Sindhri Road, Deh Kehore, District Sanghar in the province of Sindh. The total area of industry land / manufacturing facilities which includes the main factory is spread over 320.625 Acres. Cover Area of Building is approximately 299,759 Sq. Feet.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

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

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

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

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

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

2.2 Accounting Convention

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

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

2.3 Functional and presentation currency

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

2.4 New accounting standards / amendments and IFRS interpretations that are effective for the year ended September 30, 2023

Certain standards, amendments and interpretations are effective for the year ended September 30, 2023. However, these standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial reporting. Hence, these are not described in these financial statements.

New accounting standards / amendments and IFRS interpretations that are not yet effective

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

		Effective from accounting period beginning on or after
IAS - 1	Presentation of financial statements (Amendment regarding classification of liabilities)	January 01, 2023
IAS - 8	Accounting Policies, Changing in Accounting Estimates and Errors (Amendments regarding change in definition of accounting estimate)	January 01, 2023
IAS - 12	Income Taxes (Amendments) (Amendment regarding International Tax Reform)	January 01, 2023
IAS - 7	Statement of Cash Flows (Amendments) (Amendment regarding supplier finance arrangements)	January 01, 2023
IFRS - 4	Insurance Contracts (Amendments)	January 01, 2023
IFRS - 7	Financial Instruments	January 01, 2023
IFRS - 16	Leases (Amendments) (Amendment regarding lease liability in a sale and leaseback)	January 01, 2024

Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at September 30, 2023;

IFRS - 1 First-time Adoption of International Financial Reporting Standards

IFRS - 17 Insurance Contracts

IFRIC - 12 Service Concession Arrangement

3 Critical accounting estimates, judgments and assumptions

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

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

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

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

– **Taxation :**

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

– **Employees Retirement Benefits:**

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

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

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

– **Stock in trade**

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

– **Contingencies**

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

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

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

– **Slow Moving Stores and Obsolescence**

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

– **Impairment against non financial assets**

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

– **Leases**

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

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Property, plant and equipment

4.1.1 Operating Assets Owned assets

Recognition & Measurement

An item of property, plant & equipment is recognised as an asset if and only if, the future economic benefits associated with the expenditure will flow to the entity and the cost of the item can be measured reliably. These are subsequently stated at cost less accumulated depreciation and impairment, if any, except for free hold land, buildings and plant and machinery which are stated at revalued amounts.

Depreciation

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

Revaluation Surplus - owned assets

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

Subsequent Cost

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

Derecognition

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

4.1.2 Right-of-use assets

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

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

4.1.3 Capital work-in-progress

Capital work-in-progress is stated at cost accumulated up to the reporting date less impairment if any and represents expenditure incurred on property, plant and equipment in the course of construction / installation / implementation / development including borrowing cost on eligible assets. These expenditures are transferred to relevant category of property, plant and equipment as and when the assets become available for use.

4.2 Intangible Asset

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

4.3 Deferred Cost

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

4.4 Stores, spare parts and loose tools

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

4.5 Stock in trade

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

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

4.6 Trade debts, loans, deposits and other receivable

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

4.7 Trade and other payables

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

4.8 Employees Retirement benefits:

4.8.1 Defined benefit plan - Gratuity

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

4.8.2 Defined benefit plan - Leave Encashment

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

4.9 Lease liability

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

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

4.10 Taxation

4.10.1 Current

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

4.10.2 Deferred

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

4.10.3 Sales tax and Federal Excise Duty (FED)

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

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

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

4.11 Ijarah Lease contracts

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

4.12 Revenue recognition

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

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

Rental income is recorded on an accrual basis.

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

4.13 Foreign currency transaction and translation

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

4.14 Provisions and contingencies

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

4.15 Borrowing cost

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

4.16 Financial Instruments

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

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

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

4.16.1 Subsequent measurement

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

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

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

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

4.16.2 Non-derivative financial assets

All non-derivative financial assets are initially recognized on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and includes trade debts, advances, other receivables and cash and cash equivalent. The Company derecognizes the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

4.16.3 Financial liabilities

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

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

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

4.17 Offsetting of financial assets and liabilities

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

4.18 Cash and cash equivalents

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

4.19 Dividend and appropriation to reserves

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

4.20 Government Grant

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

4.21 Impairment of assets

4.21.1 Financial assets

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

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

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

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

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

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

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

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

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

4.21.2 Non-financial assets

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

		2023	2022
		(Rupees in '000)	
5	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets - owned	3,513,293	3,582,575
	Capital work-in-progress	35,454	32,162
	Right of use assets	3,640	92,929
		<u>3,552,387</u>	<u>3,707,666</u>

5.1 Operating Fixed Assets - Owned:

Net carrying value as at September 30, 2023	Free hold land	Factory Building on free hold land	Non-Factory Building on free hold land	Plant and Machinery	Furniture and Fittings	Vehicles	Computer Equipment & Appliances	Stores & Spares held for capital expenditure	Grand Total
Rupees in'000									
Opening Net Book Value (NBV)	224,000	259,945	60,058	3,022,083	1,069	9,485	2,184	3,751	3,582,575
Transfer from capital work in progress	—	—	—	32,162	—	—	—	—	32,162
Direct Additions at Cost	—	—	—	—	—	2,909	—	—	2,909
Transfer from Diminishing Musharkah	—	—	—	792	—	—	—	—	792
Transfer from Right of use Assets	—	—	—	79,417	—	6,327	—	—	85,744
Disposal at NBV	—	—	—	—	—	(236)	—	—	(236)
Depreciation charge for the year	—	(25,994)	(6,006)	(155,856)	(107)	(2,266)	(236)	(188)	(190,653)
Closing Net Book Value	224,000	233,951	54,052	2,978,598	962	16,219	1,948	3,563	3,513,293
Gross carrying value as at September 30, 2023									
Cost	7,043	164,303	12,365	1,694,759	6,869	42,087	13,298	5,867	1,946,591
Accumulated Depreciation	—	(81,423)	(10,801)	(586,741)	(5,907)	(25,868)	(11,350)	(2,304)	(724,394)
	7,043	82,880	1,564	1,108,018	962	16,219	1,948	3,563	1,222,197
Revaluation	216,957	278,865	106,655	2,326,520	—	—	—	—	2,928,997
Incremental Depreciation	—	(127,794)	(54,167)	(455,940)	—	—	—	—	(637,901)
	216,957	151,071	52,488	1,870,580	—	—	—	—	2,291,096
Total Net Book Value	224,000	233,951	54,052	2,978,598	962	16,219	1,948	3,563	3,513,293
Net carrying value as at September 30, 2022									
	Free hold land	Factory Building on free hold land	Non-Factory Building on free hold land	Plant and Machinery	Furniture and Fittings	Vehicles	Computer Equipment & Appliances	Stores & Spares held for capital expenditure	Grand Total
Rupees in'000									
Opening Net Book Value (NBV)	115,000	175,785	40,870	2,086,456	1,188	11,600	2,451	3,948	2,437,298
Surplus on revaluation during the year	109,000	101,738	23,275	974,360	—	—	—	—	1,208,373
Direct Additions at Cost	—	—	—	—	—	380	—	—	380
Transfer from Right of use assets	—	—	—	68,018	—	—	—	—	68,018
Disposal at NBV	—	—	—	—	—	(128)	—	—	(128)
Depreciation charge for the year	—	(17,578)	(4,087)	(106,751)	(119)	(2,367)	(267)	(197)	(131,366)
Closing Net Book Value	224,000	259,945	60,058	3,022,083	1,069	9,485	2,184	3,751	3,582,575
Gross carrying value as at September 30, 2022									
Cost	7,043	164,303	12,365	1,582,388	6,869	34,230	13,298	5,867	1,826,363
Accumulated Depreciation	—	(72,214)	(10,627)	(534,338)	(5,800)	(24,745)	(11,114)	(2,116)	(660,954)
	7,043	92,089	1,738	1,048,050	1,069	9,485	2,184	3,751	1,165,409
Revaluation	216,957	278,865	106,655	2,326,520	—	—	—	—	2,928,997
Incremental Depreciation	—	(111,009)	(48,335)	(352,487)	—	—	—	—	(511,831)
	216,957	167,856	58,320	1,974,033	—	—	—	—	2,417,166
Total Net Book Value	224,000	259,945	60,058	3,022,083	1,069	9,485	2,184	3,751	3,582,575
Depreciation rate % per annum	—	10	10	5	10	20	10 & 20	5	

5.1.1 The Company's freehold land, building and plant and machinery were revalued on September 30, 2022, by independent professional valuator M/s Joseph Lobo (Pvt) Limited at fair market value. The resultant surplus on revaluation has been credited to the surplus on revaluation of property, plant & equipment.

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

		2023	2022
		(Rupees in '000)	
Cost of Sales	Note 25	179,197	120,823
Administrative Cost	Note 28	11,456	10,543
		190,653	131,366

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

Particulars	Cost	Written Down Value	Sale Proceeds	Gain on Disposal	Mode of Disposal	Purchaser
.....Rupees in '000.....						
Vehicles having Net Book Value below Rs. 500 thousand	1,379	236	1,424	1,188	Negotiation & Company Policy	Various
September 30, 2023	1,379	236	1,424	1,188		
September 30, 2022	7,087	5,033	6,190	1,157		

5.2 Capital work-in-progress

	Cost at October 01	Capital expenditure incurred during the year	Transferred to operating fixed assets	Cost at September 30
..... Rupees in '000				
Plant & Machinery	32,162	35,454	(32,162)	35,454
September 30, 2023	32,162	35,454	(32,162)	35,454
September 30, 2022	3,807	28,355	—	32,162

5.3 Right of use assets

Net carrying value as at Sept. 30	2023			2022		
	Plant and Machinery	Vehicles	Total	Plant and Machinery	Vehicles	Total
	..... Rupees in '000 .....			..... Rupees in '000		
Opening Net Book Value	80,309	12,620	92,929	153,545	21,031	174,576
Transfer to Owned assets	(79,417)	(6,327)	(85,744)	(68,018)	(4,905)	(72,923)
Depreciation charge for the year (Note 25)	(892)	(2,653)	(3,545)	(5,218)	(3,506)	(8,724)
Closing Net Book Value	—	3,640	3,640	80,309	12,620	92,929
Gross carrying value as at September 30						
Cost	—	6,682	6,682	98,849	18,274	117,123
Accumulated Depreciation	—	(3,042)	(3,042)	(18,540)	(5,654)	(24,194)
Closing Net Book Value	—	3,640	3,640	80,309	12,620	92,929
Depreciation rate % per annum	5	20		5	20	

		2023	2022
		(Rupees in '000)	
6	LONG TERM DEPOSITS		
	Considered good:		
	Finance lease deposits	—	2,735
	Diminishing Musharka deposit	—	792
	Note 6.1 & 16.1		
	Other security deposits	1,059	1,059
		1,059	4,586
6.1	This deposit was placed with shariah compliant financial institution.		
7	STORES, SPARE PARTS AND LOOSE TOOLS		
	Stores	61,506	45,311
	Spare parts	43,285	36,224
	Loose tools	3,020	2,943
		107,811	84,478
	Less: Provision for slow moving items and obsolescence	25,125	23,071
	Note 7.1		
		82,686	61,407
7.1	Reconciliation of provision for slow moving and obsolete items		
	Opening balance at the beginning	23,071	20,556
	Charge for the year	2,054	2,515
	Note 29		
	Closing balance at the end	25,125	23,071
8	STOCK-IN-TRADE		
	Sugar	974,234	1,249,011
	Note 8.1 & 25		
	Sugar in process	979	873
	Note 25		
	Molasses	287	94
	Baggasse	1,963	13,451
		977,463	1,263,429
8.1	The closing stock of sugar having carrying value of Rs. Nil (2022: Rs. 577,925 thousand) has been pledged against financing obtained from Banking Company.		
9	TRADE DEBTS		
	Local Sales - Unsecured, Considered good under contracts	27,924	32,754
	Note 9.1		
		27,924	32,754
9.1	This represents Rs. 27,924 thousand (2022: includes an amount of Rs. 27,924 thousand) in respect of receivable against supply of electric power to Hyderabad Electric Supply Corporation in previous year. The matter is pending due to the non publication / printing of notification by the Ministry of Energy - Power Division in respect of power tariff, in official Gazette of Pakistan.		

		2023	2022
		(Rupees in '000)	
10	LOANS AND ADVANCES		
	Secured & Interest free		
	Loan to Employees:		
	Other than CEO, Directors & Executives	4,823	3,198
	Note 10.1		
	Un-Secured		
	Advances to		
	- Employees against salaries	190	472
	- Contractors and suppliers	14,764	9,956
	- Growers Considered good - interest free	13,162	26,042
	Note 10.2		
	Considered good - interest bearing	96,848	88,328
	Note 22.2		
	Considered doubtful	7,515	7,515
		117,525	121,885
	Impairment allowance against doubtful growers advances	7,515	7,515
		110,010	114,370
		129,787	127,996

10.1 Loans have been given to employees, with includes, for the purchase of house hold equipments, for solar power subsidized loan and for housing assistance in accordance with the terms of the employments and are repayable in the different monthly installments and are against their balances of retirement.

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

10.2.1 It includes an amount of Rs. 915 thousand (2022: Rs. 1,570 thousand) in respect of due from related parties. The maximum month end aggregate amount due from related parties during the year was Rs.7,174 thousand (2022: Rs. 2,929 thousand).

		2023	2022
		(Rupees in '000)	
10.2.2	Aging analysis of due from related parties is as follows:		
	From 91 to 180 days	915	1,570
		915	1,570

		2023	2022
		(Rupees in '000)	
11	TRADE DEPOSITS & SHORT TERM PREPAYMENTS		
	Trade Deposits		
	Others	5	5
		5	5
	Short Term Prepayments		
	Prepaid Insurance	877	1,160
	Prepaid Rent	628	349
	Labour Court - Hyderabad	562	542
		2,067	2,051
		2,072	2,056
12	OTHER RECEIVABLES		
	Considered Good		
	Subsidy due from Provincial Government	47,080	47,080
	Road Cess receivable	—	—
	Receivable from Nazir of Honourable High Court of Sindh	47,377	—
	Receivable from Competition Commission of Pakistan & Others	8,911	9,159
		103,368	56,239
	Considered doubtful		
	Inland freight subsidy receivable	18,713	18,713
	Further sales tax refundable	8,558	8,558
		27,271	27,271
	Impairment allowance against doubtful	(27,271)	(27,271)
		103,368	56,239

- 12.1** A cash freight subsidy of Rs. 10.70 / kg was announced by the Federal Government through Ministry of Commerce vide letter No. 7(2)/ 2012-Exp.III and further, on equal sharing basis, an amount of Rs. 9.3 / kg was also announced by the Provincial Government and Federal Government, in lieu of which, the Company exported 8,800 M. Tons of sugar during 2018 and submitted the total claim of subsidy of Rs. 176,000 thousand with State Bank of Pakistan (the SBP). Out of the subsidy claimed, the Company has received Rs. 128,920 thousand till date. This remaining subsidy amount relates to the Provincial Government whereas the share pertaining to the Federal Government has been realized in full. The Company despite every effort to recover the subsidy amount of Rs. 47,080 thousand from the Sindh Government via the SBP has been unable to get the same. Consequently, the Company has filed a Constitutional Petition No. 5562 of 2021 in the Honourable Sindh High Court against the Sindh Government and the SBP for recovery of entitlement. During the year, the Honorable High Court of Sindh passed the judgment/order in favor of the Company and the petitions stand disposed off with the directions to the Finance Department, Government of Sindh to re-allocate funds in the budget and make payment to Sugar Mills within the first quarter of forthcoming Financial Year.
- 12.2** This represents receivable of Mill & Growers share of Sugarcane (Development) Cess for the crushing season 2014-15 amounting to Rs. 3,613 thousand. The Company has paid the Cess and as per the notification issued by the Agriculture, Supply & Prices Department, Government of Sindh, the Company has filed documentation in this respect in the relevant department for refund of the said Cess. During the previous year the Company has net-off the amount receivable against its corresponding liability, to be payable to growers. The outcome of the same is awaited.

- 12.3** This represents an amount of Rs. 8,911 thousand (2022: includes an amount of Rs. 8,911 thousand) receivable in respect of recovery made by the Competition Commission of Pakistan as disclosed in note 23.1.6 of the financial statements.
- 12.4** These were the receivable from the Government of Pakistan through Trade Development Authority of Pakistan. Total receivable in this respect amounted to Rs. 21,703 thousands; however an amount of Rs. 2,990 thousand relating to the export sales of year 2013-14, was not accounted for in the books as a matter of prudence. Further, due to uncertainties regarding the recoverability of the subsidy, and as a matter of prudence, an impairment allowance has been made against the amount of Inland Freight Subsidy already recorded.
- 12.5** This represent Further Sales Tax of one percent on sales to unregistered persons. The Company paid Further Tax in the monthly Sales Tax & Federal Excise Returns for the month of June 2013 amounting to Rs. 764 thousand and July 2013 amounting to Rs. 3,519 thousand on buyers behalf which aggregated to Rs. 4,283 thousand and not received by the buyers. In addition, an amount of Rs. 4,275 thousand on account of Further Tax at the rate of two percent on sales to unregistered persons was again been paid by the Company and not received from the buyers. Further, due to uncertainties regarding the recoverability, and as a matter of prudence, an impairment allowance has been made against the amount of Further Tax already recorded.

13 CASH AND BANK BALANCES		2023	2022
		(Rupees in '000)	
Cash in hand		324	347
Cash at banks			
In current accounts	Note 13.1	113,654	46,155
In current account - Linked with Treasury Call	Note 13.2	6,119	5,299
Impairment allowance against the dormant bank accounts	Note 13.3	(566)	(900)
		119,207	50,554
		119,531	50,901

- 13.1** Cash at banks include Rs. 2,552 thousand (2022: Rs. 1,504 thousand) with shariah compliant financial institutions.
- 13.2** This represents amount placed with commercial bank in "Unclaimed Dividend Account", linked with Treasury Call Account. Profit earned in this account will be used in corporate social responsibility activities.

13.3 Reconciliation of impairment allowance and reversal against dormant bank accounts		2023	2022
		(Rupees in '000)	
Opening balance		900	1,858
Reversal for the year	Note 30	(334)	(958)
Closing balance		566	900

14 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2023	2022		2023	2022
10,860,000	10,860,000	Ordinary shares of Rs.10 each allotted for consideration paid in cash	108,600	108,600
1,086,000	1,086,000	Ordinary shares of Rs.10 each allotted as bonus shares	10,860	10,860
11,946,000	11,946,000		119,460	119,460

	2023	2022
	(Rupees in '000)	
15 SURPLUS ON REVALUATION OF PROPERTY, PLANT & EQUIPMENT		
Gross opening balance	2,413,660	1,275,204
Revaluation Surplus recorded during the year	—	1,208,373
Incremental depreciation charged on surplus on revaluation of property, plant & equipment - net of deferred tax	(91,394)	(49,641)
Deferred Tax on Incremental Depreciation charged on surplus on revaluation of property, plant & equipment	(37,330)	(20,276)
	(128,724)	(69,917)
	<u>2,284,936</u>	<u>2,413,660</u>
Related deferred Tax	(599,714)	(637,044)
Revaluation surplus net of deferred tax	<u>1,685,222</u>	<u>1,776,616</u>

- 15.1** The Company carries its land, building and plant & machinery on revaluation model in accordance with IAS - 16 "Property, Plant & Equipment". An independent valuer carried out revaluation and issued report on September 30, 2022. Forced sale value has been determined by the valuer using New Replacement Value i.e., the estimated cost to replace an existing asset or with a substitute of like kind and equal utility using the current standards of materials and design and with no deduction for depreciation as follows:

	(Rupees in '000)		
	Discount Factor in %	Present Market Value	Forced Sale Value
Free hold Land	15%	224,000	190,000
Building (Factory & Non-Factory)	15%	320,000	272,000
Plant & Machinery	20%	3,085,000	2,468,000

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

	2023	2022
	(Rupees in '000)	
16 LONG TERM FINANCING		
Secured		
From Banking Company under mark-up arrangements		
Diminishing Musharakah - I	—	4,689
Diminishing Musharakah - II	—	69,333
	—	74,022
Current portion shown under current liabilities	—	(74,022)
	<u>—</u>	<u>—</u>

- 16.1** This represents Diminishing Musharakah arrangement from shariah compliant financial institution under profit arrangements and was repayable in five years in quarterly installments with a profit payments @ 6 months KIBOR + 3%. This loan was secured against the title over specific machinery. The Company has completely repaid the Diminishing Musharakah during the year.
- 16.2** This represents Diminishing Musharakah arrangement from shariah compliant financial institution under profit arrangements and was repayable in two years and nine months in biannual installment during first year and quarterly installments for the remaining period with a profit payments @ 6 months KIBOR + 3%. This loan was secured against the title over specific machinery. The Company has completely repaid the Diminishing Musharakah during the year.

	2023	2022
	(Rupees in '000)	
17 LEASE LIABILITIES		
Balance at the beginning of the year	16,179	68,827
Repayments during the year	(14,928)	(52,648)
	1,251	16,179
Less: Current portion shown under current liabilities	1,251	14,427
Note 17.1	—	1,752

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

	Minimum Lease Payments (MLP)	Financial Charges	Present Value of MLP
	Rupees in 000		
	2023		
Rentals due within one year	1,334	83	1,251
Rentals due after one year but within five years	—	—	—
Balance as at September 30, 2023	1,334	83	1,251
	2022		
Rentals due within one year	15,902	1,475	14,427
Rentals due after one year but within five years	1,867	115	1,752
Balance as at September 30, 2022	17,769	1,590	16,179

- 17.1.1** The Company was entered into direct lease agreement with OLP Financial Services Pakistan Limited for three vehicles, for an amount of Rs. 6,805 thousand. During the year, lease liability of one vehicle has been completely paid-off before maturity, amounted to Rs. 2,375 thousand. Further, in the preceding years, the Company was entered into direct lease agreements with OLP Financial Services Pakistan Limited amounted to Rs. 19,849 thousand (plant & machinery) and Rs. 7,500 thousand (three vehicles) and last lease payment of these lease liabilities have also been completely paid-off, as at the year end. The Company has option to purchase the assets upon expiry of the lease term by making payment of residual value by way of adjustment of security deposit. Minimum lease payments have been discounted using rates linked with KIBOR ranging between 18.17 % to 27.75 % (2022: 12.17 % to 20.44 %) being rates implicit in the lease. Lease rentals are payable in 36 months in arrears on monthly basis.

		2023	2022
		(Rupees in '000)	
18	DEFERRED LIABILITIES		
	Deferred taxation	600,223	640,806
	Market committee fee	90,104	86,040
	Employees retirement benefits		
	- Defined benefit plan	147,861	118,900
	- Leave Encashment plan	4,300	4,377
		<u>842,488</u>	<u>850,123</u>
18.1	Deferred taxation:		
	Opening Balance	640,806	302,969
	Deferred tax on fresh revaluation taken to other comprehensive income	—	318,818
	Impact of deferred tax on actuarial loss	(5,622)	(2,832)
	Charged during the year	(34,961)	21,851
	Closing balance	<u>600,223</u>	<u>640,806</u>
18.1.1	Deferred tax (debit) / credit arising due to:		
	Deferred tax credit arising due to:		
	- surplus on revaluation	599,714	637,044
	- accelerated depreciation	205,800	190,519
	- assets obtained under finance lease	693	22,257
		<u>806,207</u>	<u>849,820</u>
	Deferred tax debit arising due to:		
	- provisions / impairment	(79,722)	(69,572)
	- Lossess, minimum and tax credit carried forward	(126,262)	(139,442)
		<u>600,223</u>	<u>640,806</u>
18.2	Market committee fee		
	Opening Balance	86,040	80,229
	Charge during the year	4,064	5,811
	Closing balance	<u>90,104</u>	<u>86,040</u>

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

18.3 Employees Retirement Benefits - Defined Benefits Plan

The Company operates an unfunded gratuity scheme for its employees eligible to the benefit effective from July 01, 2003 and provision is made as per actuarial valuation of the scheme conducted as of September 30, 2023 by M/s Nauman Associates (Consulting Actuaries) under the "Projected Unit Credit" method. The significant actuarial assumptions used for actuarial valuation for the gratuity scheme are as follows:

	2023	2022
	(Rupees in '000)	
18.3.1 Movement in the present value of the obligation		
Present value of obligation at the beginning of the year	118,900	96,705
Charge for the year		
Current service cost	11,556	9,905
Interest cost	14,042	9,771
	25,598	19,676
Benefits paid during the year	(14,771)	(7,247)
Actuarial loss & experience adjustments	18,134	9,766
Present value of obligation at the end of the year	<u>147,861</u>	<u>118,900</u>
18.3.2 Expense for the year charged to statement of Profit or Loss		
Current service cost	11,556	9,905
Interest cost	14,042	9,771
	<u>25,598</u>	<u>19,676</u>
18.3.3 Charge for the year has been allocated as under:		
Cost of sales	19,199	14,757
Administrative cost	6,399	4,919
	<u>25,598</u>	<u>19,676</u>
18.3.4 Total Remeasurements Chargeable in Other Comprehensive Income		
Actuarial loss from changes in financial assumptions	770	553
Experience adjustments	17,364	9,213
	<u>18,134</u>	<u>9,766</u>
	2023	2022
18.3.5 Significant Actuarial Assumptions		
Discount rate used for interest cost in P or L Charge	13.25%	10.50%
Discount rate used for year end obligation	16.75%	13.25%
Salary increased used for year end obligation		
Salary Increase FY 2023	N/A	12.25%
Salary Increase FY 2024	15.75%	12.25%
Salary Increase FY 2025	15.75%	12.25%
Salary Increase FY 2026	15.75%	12.25%
Salary Increase FY 2027	15.75%	12.25%
Salary Increase FY 2028	15.75%	12.25%
Salary Increase FY 2029 onward	15.75%	12.25%
Next salary is increased at	01-Oct-2023	01-Oct-2022
Retirement age	Age 60	Age 60
Withdrawal Rates	Age-Based	Age-Based
Mortality Rates	SLIC 2001-2005 Setback 1 year	SLIC 2001-2005 Setback 1 year

	2023	2022
	(Rupees in '000)	
18.3.6 Year end Sensitivity Analysis (\pm 100 bps) on Defined Benefit Obligation		
Discount Rate + 100 bps	130,738	113,265
Discount Rate - 100 bps	143,541	125,231
Salary Increase + 100 bps	143,710	125,383
Salary Increase - 100 bps	130,482	113,029
18.3.7 Expected Benefit Payments for the next 10 years and beyond		
Year		
FY 2023	—	30,452
FY 2024	33,257	12,763
FY 2025	13,781	11,254
FY 2026	22,264	18,478
FY 2027	31,277	24,474
FY 2028	16,920	12,950
FY 2029	33,058	26,780
FY 2030	49,021	33,766
FY 2031	17,849	12,529
FY 2032	22,729	19,612
FY 2033	44,527	677,562
FY 2034 onwards	1,451,992	—

The average duration of the defined benefit obligation is 5 years

18.4 Employee Retirement Benefits - Leave Encashment plan:

The Company operates an unfunded leave encashment scheme for its employees eligible to the benefit and provision is made as per actuarial valuation of the scheme conducted as of September 30, 2023 by M/s Nauman Associates (Consulting Actuaries) under the "Projected Unit Credit " method. The significant actuarial assumptions used for actuarial valuation for the leave encashment scheme are as follows:

	2023	2022
	(Rupees in '000)	
18.4.1 Movement in the present value of the obligation		
Present value of obligation at the beginning of the year	4,377	3,801
Charge for the year		
Current service cost	774	1,025
Interest cost	537	346
	1,311	1,371
Benefits paid during the year	(646)	(910)
Actuarial loss from changes in financial assumptions	28	22
Experience adjustments	(770)	93
Present value of obligation at the end of the year	4,300	4,377

	2023	2022
	(Rupees in '000)	
18.4.2 Expense for the year charged to Statement of Profit or Loss		
Current service cost	774	1,025
Interest cost	537	346
Actuarial loss from changes in financial assumptions	28	22
Experience adjustments	(770)	93
	<u>569</u>	<u>1,486</u>

18.4.3 Charge for the year has been allocated as under:

Cost of sales	Note 25.1	427	1,115
Administrative cost	Note 28.1	142	371
		<u>569</u>	<u>1,486</u>

18.4.4 Significant Actuarial Assumptions

	2023	2022
Discount rate used for interest cost in P or L Charge	13.25%	10.50%
Discount rate used for year end obligation	16.75%	13.25%
Salary increased used for year end obligation		
Salary Increase FY 2023	N/A	12.25%
Salary Increase FY 2024	15.75%	12.25%
Salary Increase FY 2025	15.75%	12.25%
Salary Increase FY 2026	15.75%	12.25%
Salary Increase FY 2027	15.75%	12.25%
Salary Increase FY 2028	15.75%	12.25%
Salary Increase FY 2029 onward	15.75%	12.25%
Next salary is increased at	01-Oct-2023	01-Oct-2022
Retirement age	Age 60	Age 60
Withdrawal Rates	Age-Based	Age-Based
Mortality Rates	SLIC 2001-2005 Setback 1 year	SLIC 2001-2005 Setback 1 year

	2023	2022
	(Rupees in '000)	
18.4.5 Year end Sensitivity Analysis (\pm 100 bps) on Defined Benefit Obligation		
Discount Rate + 100 bps	4,116	3,527
Discount Rate - 100 bps	4,511	3,882
Salary Increase + 100 bps	4,517	3,889
Salary Increase - 100 bps	4,107	3,519

18.4.6 Expected Benefit Payments for the next 10 years and beyond

Year	(Rs. in '000)	Year	(Rs. in '000)
FY 2023	—	FY 2029	770
FY 2024	1,266	FY 2030	1,321
FY 2025	456	FY 2031	584
FY 2026	611	FY 2032	628
FY 2027	1,133	FY 2033	1,462
FY 2028	486	FY 2034 onwards	26,829

The average duration of the defined benefit obligation is 5 years

		2023 (Rupees in '000)	2022
19 DEFERRED GOVERNMENT GRANT			
Fair value differential of loan at subsidized rate as Government grant		—	1,474
Government grant recognized as income	Note 30	—	(1,474)
		—	—
Current maturity of deferred Government grant		—	—
		—	—
20 TRADE AND OTHER PAYABLES			
Creditors	Note 20.1	181,052	278,694
Accrued liabilities		44,909	50,539
Advances from customers			
Sugar		1,279,932	705,153
Molasses		107,947	341,150
Baggasse		189	6,779
Sales Tax payable	Note 20.2	377,080	262,850
Workers' Profit Participation Fund	Note 20.3	7,113	3,784
Workers' Welfare Fund		4,027	2,762
Other liabilities	Note 20.4	7,069	4,019
		2,009,318	1,655,730

20.1 This includes an amount of Rs. 29,250 thousand (2022: Rs. 16,159 thousand) in respect of due to related party i.e. Haji Khuda Bux Rajar & Mr. Faisal Rehman Rajar.

20.2 This includes sales tax default surcharge amounting to Rs. 99,883 thousand (2022: Rs. 34,851 thousand).

		2023	2022
		(Rupees in '000)	
20.3	Workers' Profit Participation Fund		
	Opening balance at the beginning of the year	3,784	—
	Interest paid on funds utilized by the Company	504	—
		<u>4,288</u>	<u>—</u>
	Less: Payments made during the year	(4,288)	—
		—	—
	Add: Allocation for the year	7,113	3,784
	Closing balance at the end of the year	<u>7,113</u>	<u>3,784</u>
20.4	Other liabilities		
	Income tax deducted at source	2,849	1,077
	Cane field staff	355	405
	Others - Employees' social security & old age benefits, workers' compensation & others	3,865	2,537
		<u>7,069</u>	<u>4,019</u>

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

		2023	2022
		(Rupees in '000)	
21	ACCRUED FINANCE COST		
	Accrued mark-up:		
	- On short term borrowings	6,394	34,060
		<u>6,394</u>	<u>34,060</u>
22	SHORT TERM BORROWINGS		
	Secured:		
	Cash Finance	—	559,855
	Growers Finance	75,000	75,000
	Running Finance	25,000	100,000
		<u>100,000</u>	<u>734,855</u>

22.1 The aggregate financing facilities obtained amounted to Rs.,100,000 thousand (2022: Rs.1,100,000 thousand), out of which amounted to Rs. 1,075,000 thousand (2022: Rs. 440,145 thousand) were un-availed as at the year end. These are secured by pledge of sugar stocks under the supervision of approved muddam and hypothecation over current assets of the Company, exclusive & pari passu hypothecation charge on Company's plant & machinery and 1st equitable mortgage charge over fixed assets of the Company. The financing facilities are collaterally secured by the personal guarantees of all the sponsor directors. The facilities carries markup at 3 months KIBOR as base rate plus 1% (2022: 1%) chargeable and payable quarterly. The facilities are renewable annually at the time of maturity.

22.2 The aggregate financing facility obtained amounted to Rs. 75,000 thousand (2022: Rs. 75,000 thousand) directly disburseable to the growers' bank account and Company recovers the amount of finance from adjustments in cane procurement payments and or recovered through re-payment to the Company by the respective growers. This is secured by hypothecation over current assets of the Company, exclusive & pari passu hypothecation charge on Company's plant & machinery and 1st equitable mortgage charge over fixed assets of the Company. The financing facility is collaterally secured by the personal guarantees of all the sponsor directors. The facility carries markup at 3 months KIBOR as base rate plus 1% (2022: 1%) chargeable and payable quarterly, which is recovered from the growers. The facility is renewable annually at the time of maturity.

23 CONTINGENCIES AND COMMITMENTS

23.1 Contingencies:

23.1.1 The Company has filed a petition in the Honourable Supreme Court of Pakistan against a show cause notice issued by the Competition Commission of Pakistan (CCP), challenging the vary jurisdiction of the Competition Commission. The Honourable Supreme Court of Pakistan has disposed of the petition on the ground that this matter is already under proceedings with Honourable High Courts and refrained CCP from passing any final / penal order till a final decision is achieved at Honourable High Courts. Proceedings are pending there at. There are no financial implications related to this, at the moment.

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

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

23.1.4 During the preceding year, the Company has filed an appeal in the Honourable Supreme Court of Pakistan against the order passed by the Honourable High Court of Sindh - Circuit Court Hyderabad in the matter of Constitutional Petition No. D - 334 of 2012 (Sanghar Sugar Mills Limited vs Sindh Labour Appellant Tribunal and Others), The said appeal was also filed against the Sindh Labour

Appellate Tribunal for the decision made by the Appellate Tribunal (Hyderabad). The Honourable Supreme Court of Pakistan has suspended the operation of the impugned judgements and directed the Company to let the amount of salary on the basis of last drawn arrears of salary during season and salary of retention during off season and as per directions the Company has deposited an amount of Rs. 562 thousand (2022: Rs. 542 thousand) in the Labour Court of Hyderabad. The Case has challenged the decision of Labour Appellate Tribunal and the Honourable High Court of Sindh, wherein the chances of Company's success are higher.

- 23.1.5** During the preceeding year, the Deputy Commissioner Inland Revenue (DCIR) has passed the Orders under Section 122 (1) / (5) of the Income Tax Ordinance, 2001 in respect of tax years from 2015 to 2019 creating a tax demand of Rs. 24,818,724 thousand and also passed the Orders under Section 161 of the Income Tax Ordinance, 2001 for the tax years from 2017 to 2019 amounted to Rs.88,174 thousand and also passed an Order for the Tax year 2020 again creating an exorbitant tax demand of Rs. 31,434 thousand.

The Company contested the appeals and an Appellant Tribunal Inland Revenue deleted all the demands raised and set aside the orders of the Department. Similarly, orders for the tax year 2017 to 2020 were framed under section 161 of the Income Tax Ordinance, 2001 by revoking section 236 G and H of the Ordinance, relating to tax collection from wholesalers and distributors which also set aside at first appellate stage.

Management of the Company believe that all the matters will be decided in Company's favour as the demands raised through the stereo type orders by the FBR created on the basis of using stock phrases, imagination based workings and predetermined mindset and are illegal, ultra-vires and without any justification or basis and the Company is continuously contesting the same at designated forums of Inland Revenue Services. The Company has also filed application for stay against these Orders in the Honourable Sindh High Court which have been granted by the said Honourable Court.

- 23.1.6** The Competition Commission of Pakistan (CCP) in August 2021 passed orders and imposed penalty on PSMA and member sugar mills alleging them to be guilty of collusive activities and cartelization. The penalty imposed on the Company aggregated to Rs. 188,522 thousand. The PSMA and the Company along with other member sugar mills of PSMA filed the Suit against the orders of the Competition Commission of Pakistan before Honourable Sindh High Court. The Honorable Court passed the interim order on 07.10.2021 that the operation of impugned orders dated 06.08.2021 and 13.08.2021 shall remain suspended till the hearing is underway and final order issued on 22.08.2022 whereby the matter was referred to Competition Appellate Tribunal and suspended all previous orders of CCP including direction for withdrawal of all recovery notices/demands and withdrawal of debit blocks and attachment of bank accounts' notices.

Further, The Competition Appellate Tribunal, Islamabad has assigned the Case of the Company with other Cases while the appeals are being heard.

The CCP vide communication bearing no. F.N. # 366/Sugar Enq / C&TA / CCP / 2020 dated September 07, 2022 intimating withdrawal of Recovery Notice dated 29.06.2022 issued under section 40(1) of the Competition Act, 2010 till the final decision of the relevant appeals pending before the Competition Appellate Tribunal.

- 23.1.7** During the year, out of the total export approved by the ECC of 250,000 metric tons of sugar, Sindh was allocated 80,000 MT by the Ministry of Commerce to be distributed among the mills through the Cane Commissioner, Sindh. The Cane Commissioner equally distributed the quota as 2,500 MT to each of the 32 sugar mills in Sindh Province. Meanwhile, JDW Sugar Mills Ltd filed the suit against the equal distribution of export quota in February, 2023 in the Honourable High Court of Sindh. The Honorable Court stayed the export of sugar after which the Company and other sugar mills became

party to the petition as defendants being aggrieved in Suit No. 145 of 2023 and Suit No. 149 of 2023. The single bench of the Honorable Court passed the judgement in March 3, 2023 and set aside Sindh Cane Commissioner's decision and directed to Cane Commissioner to re-issue the quota in accordance with Federal Government policy. The Company and other Sugar Mills filed the High Court Appeal (HCA) before the Honorable Divisional Bench of Honourable Sindh High Court on March 9, 2023 vide HCA number 64 and 65/2023 against the judgment order of single judge. The Honorable Divisional Bench passed the interim Order and allowed to Export of 1,500 metric tons to each of Sugar Mills till further orders.

Further, in continuation of earlier order dated 09.03.2023, the Honourable Court has passed an another Order to allow export of the remaining (undisputed and disputed quantity) of 32,000 M. Tons of sugar with terms and conditions imposed on export proceeds of undisputed and disputed quantity. The export proceeds realized, based on the formula set by the Honourable Court will be retained by the Company on undisputed quantity, while on disputed quantity, the export proceeds realized will be deposited with the Nazir of the Honourable Court and the Nazir will invest the amount in the profit bearing Government Scheme till the decision of the case. The amount will be returned along with the profit either to the appellant or respondent, which will be based on the decision of the Honourable Court.

23.2 Guarantee:

As at the year end, no guarantee has been issued by the Bank for six months period in favour of any party on behalf of the Company for the procurement of Fertilizers for onward supply to sugarcane growers. The security of the guarantee, if availed, is against the 25% cash margin and rest against the existing charge over current and fixed assets of the Company, already held as collateral.

23.3 Commitments:

23.3.1 Capital commitments in respect of plant & machinery amounting to Rs. 6,000 thousand (2022: Rs. Nil).

23.3.2 The Company has committed for donation of 5 acre of land through the Board of Directors' decision in their meeting held on October 29, 2016 recommended donation of 5 acre land out of total 320 acres Company's land at factory located at Sanghar to Workers Welfare Fund, Government of Pakistan, Islamabad, for the purpose of construction of Fifty Beds Hospital in the vicinity of factory premises of Sanghar Sugar Mills. This has already been approved by the shareholders of the Company in their Extra Ordinary General Meeting held on November 23, 2016. The carrying value of the land as on the year end date is Rs 110 thousand whereas its market value based on revaluation report dated September 30, 2022 by an independent professional valuator is Rs. 3,493 thousand. In order to implement the agreement, the formalities of transfer of Land and other documentation are in process till date.

	2023	2022
	(Rupees in '000)	
24 SALES		
Local Sales	4,113,233	4,553,272
Export Sales	429,724	—
	4,542,957	4,553,272
Less : Brokerage & Commission	(3,930)	—
Sales Tax	(616,871)	(681,087)
	(620,801)	(681,087)
	3,922,156	3,872,185

		2023	2022
		(Rupees in '000)	
25	COST OF SALES		
	Sugar cane consumed (including cane procurement expenses)	3,175,764	3,999,852
	Salaries, wages and staff benefits	188,281	189,347
	Stores, spare parts & loose tools consumed	176,625	190,040
	Fuel, power & utilities	13,945	13,264
	Insurance	9,490	10,017
	Repairs and maintenance	9,352	8,297
	Vehicle running expenses	13,127	10,706
	Depreciation	179,197	120,823
	Depreciation on right-of use assets	3,545	8,724
	Other expenses	11,883	12,827
		3,781,209	4,563,897
	Sugar -in-process		
	- Opening	873	667
	- Closing	(979)	(873)
		(106)	(206)
		3,781,103	4,563,691
	Sale of Molasses	605,900	490,827
	Inventory adjustment for molasses	192	34
		606,092	490,861
	Sale of Baggasse	58,862	76,907
	Inventory adjustment for bagasse	(11,488)	9,846
		47,374	86,753
	Cost of goods manufactured	3,127,637	3,986,077
	Finished sugar		
	- Opening stock	1,249,011	774,478
	- Closing stock	(974,234)	(1,249,011)
		274,777	(474,533)
		3,402,414	3,511,544

25.1 Salaries, wages and benefits include Rs. 19,199 thousand (2022: Rs. 14,757 thousand) in respect of defined benefit plan and Rs. 427 thousand (2022: Rs. 1,115 thousand) in respect of leave encashment plan.

25.2 These figures are net off sales tax of Rs. Nil (2022: Rs. 141 thousand).

25.3 These figures are net off sales tax of Rs. 11,140 thousand (2022: Rs. 13,074 thousand).

		2023	2022
		(Rupees in '000)	
26	TRADING ACTIVITIES		
	Sales	—	19,984
	Less: Sales Tax	—	(392)
		—	19,592
	Less: Purchases & other expenses thereon	—	(19,481)
		—	111
27	DISTRIBUTION COST		
	Handling and Stacking	978	696
	Export Expenses	10,175	—
		11,153	696
28	ADMINISTRATIVE COST		
	Salaries, wages and staff benefits	96,227	94,171
	Rent, rates and taxes	3,345	2,879
	Communication	1,099	994
	Repairs and maintenance	3,579	1,369
	Utilities	813	1,073
	Entertainment	453	567
	Subscription	2,206	3,600
	Cartage	68	28
	Printing and stationery	1,876	2,211
	Insurance	3,163	3,339
	Legal and professional charges	1,674	5,041
	Conveyance and traveling	7,101	5,205
	Depreciation	11,456	10,543
	Others	1,479	1,636
		134,539	132,656
28.1	Salaries, wages and benefits include Rs. 6,399 thousand (2022: Rs. 4,919 thousand) in respect of defined benefit plan and Rs. 142 thousand (2022: Rs. 371 thousand) in respect of leave encashment plan.		
29	OTHER OPERATING COST		
	Auditors' remuneration	2,857	2,468
	Corporate social responsibility costs	7,142	9,772
	Workers' Profit Participation Fund	7,113	3,784
	Workers' Welfare Fund	2,703	1,438
	Provision for slow moving & obsolete items	2,054	2,515
	Exchange loss on export proceeds realization - net	1,453	—
	Sales tax default surcharge	69,222	30,142
		92,544	50,119

		2023	2022
		(Rupees in '000)	
29.1 Auditors' remuneration			
Statutory Auditors - Kreston Hyder Bhimji and Co.			
Audit fee		1,665	1,450
Half yearly review fee		215	175
Code of corporate governance certification		140	115
Certification of Free Float of Shares & reconciliation		175	145
Sindh Sales Tax on Services		176	151
		2,371	2,036
Cost Auditors - A.D. Akhawala & Co.			
Cost Audit Fee		450	400
Sindh Sales Tax on Services		36	32
		486	432
		2,857	2,468
29.2	Corporate social responsibility costs do not include any amount paid to any person or organization amount exceed Rs. 500,000 and in which any director or their spouse had any interest.		
		2023	2022
		(Rupees in '000)	
30 OTHER INCOME			
Income from non financial assets:			
Government grant recognized as income	Note 19	—	1,474
Gain on sale of property, plant & equipment	Note 5.1.3	1,188	1,157
Others - Rent & related receipts		92	73
		1,280	2,704
Income from others:			
Liabilities Written Back		541	—
Reversal of provision of dormant bank account	Note 13.3	334	958
Others		—	2
		875	960
		2,155	3,664
31 FINANCE COST			
Mark-up / profit on long term financing	Note 31.1	8,391	19,297
Mark-up / profit on short-term borrowings	Note 31.2	139,355	86,201
Financial charges on lease liabilities		1,913	4,301
Bank charges		1,047	680
Interest on workers' profit participation fund	Note 20.3	504	—
		151,210	110,479
31.1	This represents an an amount of Rs. 8,391 thousand (2022: includes an amount of Rs. 16,811 thousand) in respect of financing under shariah compliant arrangements.		
31.2	It includes an amount of Rs. Nil (2022: Rs. 1,657 thousand) in respect of financing under shariah compliant arrangements.		

		2023 (Rupees in '000)	2022
32 TAXATION			
Current	Note 32.1	62,529	47,006
Deferred	Note 18.1	(34,961)	21,851
		<u>27,568</u>	<u>68,857</u>

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

32.2 The Company records tax expense based on generally accepted interpretation of tax laws and accordingly sufficient provision in respect of taxation is available in these financial statements. Difference in tax year 2023 is due to adjustment / reversal of prior year's excess provision. Following analysis shows the comparison of last three years between tax provision and tax assessment:

Tax Year	Provision for tax as per financial statements	Tax assessed as per income tax return
	..... (Rupees in 000)	
2023	55,771	55,771
2022	52,587	43,822
2021	49,021	49,021

	2023	2022
33 EARNING PER SHARE - Basic and Diluted		
Profit after taxation (Rupees '000)	<u>104,883</u>	<u>1,609</u>
Weighted average number of ordinary shares	<u>11,946,000</u>	<u>11,946,000</u>
Earning per share - (Rupees)	<u>8.78</u>	<u>0.13</u>

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

		2023 (Rupees in '000)	2022
34 CASH AND CASH EQUIVALENTS			
Cash and cash equivalent comprise of the following items			
Cash and bank balances	Note 13	119,531	50,901
Less: Short term borrowings	Note 22	(100,000)	(734,855)
		<u>19,531</u>	<u>(683,954)</u>

35 FINANCIAL INSTRUMENTS**35.1 FINANCIAL ASSETS AND LIABILITIES**

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

		2023						
		Interest / Mark-up bearing			Non Interest / Mark-up bearing			
Interest / markup rate	Maturity upto one year	Maturity after one year	Sub Total	Maturity upto one year	Maturity after one year	Sub Total	Total	
..... (Rupees in '000)								
Financial Assets								
Deposits	—	—	—	5	1,059	1,064	1,064	
Trade Debts	—	—	—	27,924	—	27,924	27,924	
Other Receivable	—	—	—	103,368	—	103,368	103,368	
Loans and advances	—	—	—	5,013	—	5,013	5,013	
Cash and bank balances	Linked with Treasury Call	6,119	—	6,119	113,412	—	113,412	
TOTAL		6,119	—	6,119	249,722	1,059	250,781	
Financial Liabilities								
Long Term Finance	6 M Kibor + 3%	—	—	—	—	—	—	
Lease Liabilities	18.17% to 27.75%	1,251	—	1,251	—	—	1,251	
Trade & other payables		7,113	—	7,113	610,110	—	610,110	
Accrued finance cost		—	—	—	6,394	—	6,394	
Short-term borrowings	3 M Kibor + 1%	100,000	—	100,000	—	—	100,000	
Unclaimed dividend		—	—	—	4,696	—	4,696	
TOTAL		108,364	—	108,364	621,200	—	729,564	

		2022						
		Interest / Mark-up bearing			Non Interest / Mark-up bearing			
Interest / markup rate	Maturity upto one year	Maturity after one year	Sub Total	Maturity upto one year	Maturity after one year	Sub Total	Total	
..... (Rupees in '000)								
Financial Assets								
Deposits	—	—	—	5	4,586	4,591	4,591	
Trade Debts	—	—	—	32,754	—	32,754	32,754	
Loans and advances	—	—	—	56,239	—	56,239	56,239	
Other Receivables	—	—	—	3,670	—	3,670	3,670	
Cash and bank balances	Linked with Treasury Call	5,299	—	5,299	45,602	—	45,602	
TOTAL		5,299	—	5,299	138,270	4,586	142,856	
Financial Liabilities								
Long Term Finance	3 & 6 M Kibor 3%	74,022	—	74,022	—	—	74,022	
Lease Liabilities	11.82% to 20.44%	14,427	1,752	16,179	—	—	16,179	
Trade & other payables		3,784	—	3,784	596,102	—	599,886	
Accrued mark-up		—	—	—	34,060	—	34,060	
Short Term Borrowings	3 M Kibor + 1%	734,855	—	734,855	—	—	734,855	
Unclaimed dividend		—	—	—	4,696	—	4,696	
TOTAL		827,088	1,752	828,840	634,858	—	1,463,698	

36 FINANCIAL RISKS MANAGEMENT**36.1 Financial Risk Management Objectives, Policies and Responsibilities**

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

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

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

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

- Market risk
- Credit risk
- Liquidity risk

36.1.1 Market Risk

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

36.1.1.1 Foreign Exchange Risk

Foreign exchange risk represents the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk arises mainly from future economic transaction or receivables or payables that exist due to transactions in foreign exchange. During the year the Company has exposure to foreign currency risk due to export sales and managed through mix of advance receipts and partial payments before shipments and as at year end the Company was not directly exposed to foreign currency risk.

36.1.1.2 Interest / Mark-up rate risk

Interest / mark-up rate risk is the risk that value or future cash flows of the financial instruments will fluctuate because of changes in market interest / mark-up rates. The Company has mainly lease liabilities, short term borrowings and workers' profit participation fund which are based at varying rates and the Company has exposed to interest / markup rate on long term finance, which has been repaid during the year and the Company has not exposed to any long term finance as at the year end.

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

	2023	2022	2023	2022
	Effective interest / markup rate (in percent)		Carrying amount (Rupees in '000)	
Financial liabilities				
Variable rate instruments				
Long Term Finance	6 M Kibor + 3%	3 & 6 M Kibor + 3%	—	74,022
Lease liabilities	18.17% to 27.75%	11.82% to 20.44%	1,251	16,179
Short term borrowings	3 M Kibor + 1%	3 M Kibor + 1%	100,000	734,855
			<u>101,251</u>	<u>825,056</u>

Sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments.

A change of 100 basis points in interest / mark-up rates at the reporting date would have decreased / (increased) profit before tax for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2022.

	..... 2023 .....		..... 2022.....	
	(Rupees in '000)		(Rupees in '000)	
	Profit and loss 100 bp		Profit and loss 100 bp	
Financial liabilities	(increase)	decrease	(increase)	decrease
Cash flow sensitivity - on statement of financial position	<u>(1,013)</u>	<u>1,013</u>	<u>(8,251)</u>	<u>8,251</u>

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

36.1.1.3 Other Price Risk

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

36.1.2 Credit Risk

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

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

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

	2023	2022
	(Rupees in '000)	
Deposits	1,064	4,591
Trade debts	27,924	32,754
Loans and advances	5,013	3,670
Other Receivable	103,368	56,239
Cash & Bank balances	119,531	50,901
	<u>256,900</u>	<u>148,155</u>

a) Deposits

As at the year end, the deposits are placed against the utility facilities like electricity & water with Government entities. The Company believes that it is not exposed to significant credit risk in this respect.

b) Trade Debts

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

c) Loans and Advances

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

d) Other Receivables

These represents balances due against subsidy receivable from Provincial Government, receivable from Nazir of Honourable High Court of Sindh and receivable from the Competition Commission of Pakistan against force recovery. The Company is actively pursuing the matters which are pending at the disposal of Provincial Government, Honourable Court and Appellate Tribunal and based on the past experience the Company does not expect that these will fail to meet their obligations, hence, no impairment allowance is necessary, in this respect.

e) Balances with Bank

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

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

Credit Ratings	2023	2022
	(Rupees in '000)	
A-1+	118,520	50,552
A-1	1,252	901
A-3	1	1
	<u>119,773</u>	<u>51,454</u>

36.1.2.1 Financial assets that are either past due or impaired

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

36.1.3 Liquidity Risk

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

The Company manages liquidity risk by maintaining sufficient cash and ensuring the fund availability through adequate credit facilities. As at September 30, 2023, the Company has available un-availed short term borrowing facilities of Rs. 1,075,000 thousand (2022: Rs.440,145 thousand) and also has cash & bank balances of Rs. 119,531 thousand (2022: Rs. 50,901 thousand). Based on the above, the management believes that the Company is not significantly exposed to the liquidity risk.

36.2 CAPITAL RISK MANAGEMENT

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

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

	2023	2022
	(Rupees in '000)	
Total financing and borrowings including lease liabilities	101,251	825,056
Less: Cash and bank balances	(119,531)	(50,901)
Net debt	<u>(18,280)</u>	<u>774,155</u>
Total Equity	2,057,446	1,965,075
Total capital employed	<u>2,039,166</u>	<u>2,739,230</u>
Gearing Ratio	<u>-0.90%</u>	<u>28.26%</u>

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

37 FAIR VALUES / MEASUREMENT

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

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

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

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

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

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

The fair value of land and buildings and plant and machinery is a level 3 recurring fair value measurement. Management engages an independent external expert / valuator to carry out periodic valuation of its non-financial assets (i.e. Land, Building and Plant and Machinery) and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained by the valuer. The Fair Values were determined with reference to market based evidence, based on active market prices and relevant enquiries and information as considered necessary, adjusted for any difference in nature, location or condition of the specific property. Recent valuation was carried on September 30, 2022 and following factors were considered:

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

38 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	Chief Executive		Directors		Executives		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
..... (Rupees in '000)								
Non executive Directors' meeting fee - 5 Directors (2022: 5 Directors)	—	—	875	1,010	—	—	875	1,010
Managerial remuneration - Basic	5,628	5,195	5,105	4,713	6,085	5,930	16,818	15,838
Perquisite (Bonuses, House Rent & Others)	7,684	7,468	7,149	6,933	9,359	9,561	24,192	23,962
Reimbursable expenses	5,152	4,811	4,783	3,775	1,885	1,136	11,820	9,722
	18,464	17,474	17,037	15,421	17,329	16,627	52,830	49,522
Number of persons	1	1	1	1	4	3	5	5

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

Some of the Directors waived their Meeting's fee for Board & their respective Committees, which was approved in the Board of Directors meeting.

39 RELATED PARTY TRANSACTIONS

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

Name of Related Party	Relationship with Company	Nature of Transaction	2023 (Rupees in '000)	2022
Mr. Ghulam Dastagir Rajar	Chairman	Cane purchased	—	11,839
.....Do.....	.....Do.....	Advance against cane purchased (Paid / Adjusted)	—	6,809
Mr. Gul Mohammad Rajar	Son of Executive Director & Brother of Chief Executive	Cane purchased	1,469	798
.....Do.....	.....Do.....	Advance against cane purchased (Paid / Adjusted)	466	300
Mr. Muhammad Hashim	Ex-General Manager	Cane purchased	7,261	3,983
.....Do.....	.....Do.....	Advance against cane purchased (Paid / Adjusted)	245	1,333
Mr. Faisal Rehman Rajar	Son of Executive Director & Brother of Chief Executive	Cane purchased	22,001	22,230
.....Do.....	.....Do.....	Advance against cane purchased (Paid / Adjusted)	2,029	2,804
Haji Khuda Bux Rajar	Executive Director & Father of Chief Executive	Cane purchased	14,684	—
.....Do.....	.....Do.....	Advance against cane purchased (Paid / Adjusted)	2,401	—
Mr. Abdul Hakeem Rajar	Son of Chairman	Cane purchased	9,514	—
.....Do.....	.....Do.....	Advance against cane purchased (Paid / Adjusted)	7,336	—
Mr. Muhammad Mubeen Alam	Company Secretary	Advance Repaid	—	800

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

Outstanding balances of related parties as of the statement of financial position and maximum month end aggregate balance during the year are disclosed in the respective notes to the financial statements. The advances to related parties against supply of cane were disbursed for the crushing season 2022-23 (2022: 2021-22) out of which significant amount had already been adjusted against cane supplied during the crushing season whereas remaining amount has been adjusted subsequent to the year-end against the cane supplied for the crushing season 2023-24 (2022: 2022-23).

40 ENTITY - WIDE INFORMATION

40.1 The Company constitutes of a single reportable segment, the principal class of product is Sugar and by products are Molasses and Baggasse, which does not constitute as a reportable segment, as the same does not meet the threshold.

40.2 Information about geographical areas

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

	2023	2022
	(Rupees in '000)	
Sales - net		
Sugar	3,922,156	3,872,185
Molasses	605,900	490,827
Baggasse	58,862	76,907
Trading Activities	—	19,592
	<u>4,586,918</u>	<u>4,459,511</u>

40.3 Information about major customers

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

41 CAPACITY AND PRODUCTION

	2023		2022	
	Quantity M. Tons	No. of days	Quantity M. Tons	No. of days
Crushing capacity	8,500	Per day	8,500	Per day
Capacity based on actual working days	722,500	85	1,062,500	125
Actual crushing	406,402.792	85	581,109.556	125
Sucrose recovery (in %)	10.263		10.635	
Sugar production from cane	41,711.25		61,785.00	

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

	2023	2022
	(In Numbers)	
42 NUMBER OF EMPLOYEES		
Total number of Permanent & Contract employees as at the year end	<u>319</u>	<u>337</u>
Average number of Permanent & Contract employees during the year	<u>328</u>	<u>409</u>

43 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on December 18, 2023 by the Board of Directors of the Company.

44 GENERAL

44.1 Figures have been rounded off to nearest thousand of rupees.

44.2 Certain comparative figures have been rearranged and regrouped for better understanding and comparasion.

Chief Executive

Director

Chief Financial Officer

Pattern of Shareholding

As at September 30, 2023

Number of Shareholders	Shareholding		Total Shares Held	Percentage %
	From	To		
841	1	100	27,841	0.23
158	101	500	39,554	0.33
90	501	1000	58,422	0.49
80	1001	5000	179,682	1.50
44	5001	10000	289,920	2.43
3	10001	15000	37,000	0.31
3	15001	20000	54,500	0.46
3	20001	25000	72,500	0.61
4	25001	30000	107,940	0.90
2	40001	45000	85,750	0.72
2	45001	50000	97,900	0.82
1	95001	100000	97,240	0.81
1	190001	195000	190,200	1.59
1	240001	245000	241,487	2.02
1	265001	270000	267,740	2.24
1	360001	365000	360,179	3.02
1	400001	405000	403,100	3.37
1	465001	470000	462,732	3.87
1	485001	490000	486,390	4.07
1	495001	500000	496,000	4.15
1	520001	525000	522,600	4.37
2	570001	575000	1,145,722	9.59
1	655001	660000	659,250	5.52
1	670001	675000	674,750	5.65
1	855001	860000	858,000	7.18
1	910001	915000	913,000	7.64
1	975001	980000	979,000	8.20
1	1040001	1045000	1,043,116	8.73
1	1090001	1095000	1,094,485	9.16
1,249			11,946,000	100.00

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

CATEGORIES OF SHAREHOLDERS

As at September 30, 2023

Sr #	Category of Shareholders	Number of Shares Held	Percentage %
1	Directors, Chief Executive and their spouse and minor children	1,842,516	15.4237
2	Associated Companies, undertakings and related parties	1,137,482	9.5219
3	NIT & ICP	1,043,516	8.7353
4	Banks, DFIs, NBFIs, Mudarabas and Pension Fund	101,550	0.8501
5	Insurance Companies	267,840	2.2421
6	Joint Stock Companies	15,873	0.1329
7	Shareholders Holding 5% or more	3,844,485	32.1822
8	General Public - Local	3,692,738	30.9119
	TOTAL	11,946,000	100.0000

Detail of Pattern of Shareholding

As per Requirement of Code of Corporate Governance

As at September 30, 2023

S #	Category Name	Number of shares held	Percentage %	Category wise Number of shareholders	Category wise shares held	Percentage %
1.	Directors, Chief Executive and their spouse and minor children			8	1,842,516	15.4237
	Haji Khuda Bux Rajar	241,487	2.0215			
*	Mr. Ghulam Dastagir Rajar	659,250	5.5186			
	Mr. Ghulam Hyder	360,179	3.0151			
	Mr. Rahim Bux	572,350	4.7911			
	Mr. Muhammad Qasim	2,000	0.0167			
	Mr. Shahid Aziz	2,000	0.0167			
	Miss Nazia Azam	2,500	0.0209			
	Mrs. Khanzady W/o Haji Khuda Bux	2,750	0.0230			
2.	Associated Companies, Undertaking and Related Parties			2	1,137,482	9.5219
	Tariq Rahim	462,732	3.8735			
*	Gul Mohammad	674,750	5.6483			
3.	NIT & ICP			2	1,043,516	8.7353
*	CDC - Trustee National Investment (Unit) Trust	1,043,116	8.7319			
	Investment Corporation of Pakistan	400	0.0033			
4.	Banks, DFIS, NBFIS, Mudarabas and Pension Funds			4	101,550	0.8501
5.	Insurance Companies			2	267,840	2.2421
6.	* Shareholders holding 5% or more			4	3,844,485	32.1822
7.	Joint Stock Companies			5	15,873	0.1329
8.	General Public - Local			1222	3,692,738	30.9119
	Total			1,249	11,946,000	100.0000

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

Name of Shareholders	Number of shares held	Percentage %
Mr. Ali Ghulam	858,000	7.1823
Mr. Khuda Bux	913,000	7.6427
Mr. Abdul Jabbar	979,000	8.1952
Mr. Pir Baksh	1,094,485	9.1619
	3,844,485	32.1822

9 Information under the Code of Corporate Governance

The Directors, Executives and their spouse and minor children have not undertaken any trading of Company's shares during the year ended September 30, 2023.

10 Others

Mr. M. Abdul Jabbar represents National Investment Trust Limited, hence there are no shares held in his name. Subsequent to year-end and before Election of Directors, Mr. Mehmood Alam has purchased 2,750 physical shares and Ms. Misbah has purchased 3,000 physical shares of the Company and become the Independent Director and Non Executive Director - Female respectively, in the Election of Directors held on November 2, 2023.



Sanghar Sugar Mills Limited

Dividend Payments through Electronic Mode

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

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

SHARE HOLDER'S SECTION

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

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

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

Name of shareholder : _____

Folio number : _____

Contact number of shareholder : _____

Name of Bank : _____

Bank Branch & mailing address : _____

Bank Account No. (Full) : _____

Title of Account : _____

CNIC No. : _____

NTN (in case of corporate entity) : _____

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

Shareholder's Signature

CNIC / NTN No. _____
(Copy attached)



ادائیگی ڈیویڈنڈ بذریعہ الیکٹرانک ذرائع

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

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

شعبہ حصص داران

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

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

میں بذریعہ ہذا درخواستوں کو پیش نظر کرتا ہوں کہ مستقبل میں میرے ڈیویڈنڈ براہ راست میرے بینک اکاؤنٹ میں منتقل کر دیئے جائیں جس کی تفصیلات درج ذیل ہیں:

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

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

دستخط حامل حصص

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



Sanghar Sugar Mills Limited

Consent to receive Hard Copies of Notices and Audited Financial Statements

In supersession / partial modification of notification No. 470(I) dated May 31, 2016 and notification No. 787(I)/2014 dated September 08, 2014, the SECP has issued latest S.R.O. 389(I)/2023 dated March 21, 2023 read with Section 223(6) and 223 (7) of the Companies Act, 2017 which states that the Members of the Company who wish to receive the hard copy of Audited Financial Statements and Reports of the Company instead of sending the same through email, are requested to provide a "Standard Request Form", duly filled and signed in all respects, to communicate the need of hard copy, to the Company Secretary / Share Registrar. Therefore, to receive Hard Copies of current and future notices and audited financial statements, please give us complete details and inform us in writing duly signed along with a copy of your CNIC / NTN to the Share Registrar or the Company and in case shares held in CDC then please inform concerned Participant / CDC investor Account Services.

SHARE HOLDER'S SECTION

SHARE HOLDER'S SECTION

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

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

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

Name of shareholder : _____

Folio number/CDC Account No. : _____

Contact number of shareholder : _____

Contact Address of shareholder : _____

CNIC No. : _____

NTN (in case of corporate entity) : _____

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

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

CNIC / NTN No. _____
(Copy attached)



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

ایس ای سی پی کی جانب سے جاری کردہ نوٹیفیکیشن بحوالہ نمبر (1) 470 مورخہ 31 نومبر 2016 اور نوٹیفیکیشن نمبر (1) 787/2014 مورخہ 8 ستمبر 2014 کی جگہ اجزوی ترامیم کے ساتھ ایس ای سی پی کی جانب سے جاری کئے گئے حالیہ ایس آر او نمبر (I) 389/2023 مورخہ 21 مارچ 2023 جسے کمپنیز ایکٹ 2017 کے سیکشنز (6) 223 اور (7) 223 کے ساتھ ملا کر پڑھا جائے کے تحت ایسے ممبران جو کہ کمپنی کی مالیاتی دستاویزات اور رپورٹس بذریعہ ای میل کے بجائے ہارڈ کپی کی صورت میں حاصل کرنے کے خواہشمند ہوں تو انھیں چاہیے کہ "اسٹینڈرڈ درخواست فارم" برائے حصول ہارڈ کپی بابت کمپنی مالیاتی دستاویزات و نوٹس باقاعدہ طور پر اور دستخط کر کے کمپنی سیکرٹری / شیئر رجسٹرار کے پاس جمع کروادیں۔ مستقبل کے نوٹس اور آڈٹ شدہ مالیاتی دستاویزات کاغذی صورت میں موصول کرنے کیلئے آپ ہمیں اپنی مکمل معلومات فراہم کیجئے، اپنے دستخط اور قومی شناختی کارڈ / این ٹی این نمبر کے ساتھ اپنی درخواست حصص رجسٹرار یا کمپنی اور بصورت سی ڈی سی ڈی سی سرمایہ کارا کاؤنٹ سروسز کے پاس جمع کروائیں۔

شعبہ حصص داران

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

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

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

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

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

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



Sanghar Sugar Mills Limited

----- IMPORTANT NOTICE -----

IMPLEMENTATION OF SECTION 72 OF THE COMPANIES ACT, 2017

CONVERSION OF PHYSICAL SHARES INTO BOOK-ENTRY FORM

Section 72 of the Companies Act, 2017 (the "Act") requires every company having share capital to have its shares in book-entry form only, from the date notified by the Securities & Exchange Commission of Pakistan (the Commission). Further, every existing company is required to replace its physical shares with book-entry form. A period of four years is specified in the Act for implementation of this provision and the deadline was ended on May 30, 2021. Section 72 is reproduced below for ready reference:

"72. Issuance of shares in book-entry form.—(1) After the commencement of this Act from a date notified by the Commission, a company having share capital, shall have shares in book-entry form only.

(2) Every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of this Act:

Provided that the Commission may notify different dates for different classes of companies:

Provided further that the Commission may, if it deems appropriate, extend the period for another two years besides the period stated herein.

(3) Nothing contained in this section shall apply to the shares of such companies or class of companies as may be notified by the Commission."

Furthermore, Regulation 17 of the Companies (General Provisions and Forms) Regulations, 2018 states as under:-

"17. Issuance of shares in book-entry form. — Subsequent to the notification under section 72 of the Act, all companies required to replace its physical shares with book-entry form shall apply to a Central Depository in terms of the relevant Regulations for declaration of company's shares as eligible securities and comply with the requirements of the Central Depository for issuance of shares in book entry form."

In view of the above-mentioned requirements of the Act and as a step further towards digitization, the Securities and Exchange Commission of Pakistan (SECP) is considering to make it obligatory for all public listed, public unlisted, public interest and private limited companies to have their shares in book-entry form in compliance with Section 72 of the Companies Act, 2017. Shares held in book-entry form shall have the same rights and privileges as shares held in physical certificate form. However, rights and privileges of shares held in physical form may be restricted at a future date due to non-compliance with the provision of section 72 of the Companies Act, 2017. Once notified, all companies required to replace their physical shares with book-entry form shall apply to a central depository licensed by the SECP for conversion of existing physical shares and further issuance of shares in the book entry form. The central depository shall prescribe procedures for such conversion and issuance of shares including documentation required, process to be followed and applicable fee and charges .

Further, the conversion of shares into book-entry form will make the process of share handling more efficient, risk free and would help to minimize shareholding disputes. Handling of shares in case of corporate actions i.e. issue of bonus/right shares and transfer or selling of shares would be much easier, if shares are converted into book-entry form. Book entry securities can be pledged to a bank to obtain financing against them. Furthermore, it would help to reduce the risks and costs associated with storing of physical share certificates, which are susceptible to be lost, stolen and /or damaged and conversion of shares would help to avoid such problems.

Therefore, it is requested to all the Shareholders (who have shares in physical form) of Sanghar Sugar Mills Limited to convert their physical shares in to book-entry form on immediate basis otherwise the Shareholders (who have shares in physical form) and the Company would be unable to comply with the requirement of the Commission as mentioned above.

سانگھڑ شوگر ملز لمیٹڈ



اہم نوٹس

سیکشن 72 بابت کمپنیز ایکٹ 2017 کا نفاذ

فزیکل حصص کا بک انٹری کی صورت میں تبادلہ

سیکشن 72 بابت کمپنیز ایکٹ 2017 (ایکٹ) کی رو سے ایسی تمام کمپنیاں جو کہ شیئر کمپنیل کی حامل ہیں پر لازم ہے کہ اپنے شیئر ز کو صرف بک انٹری کی صورت میں ہی محفوظ رکھیں، سیکورٹی اینڈ ایکسچینج کمیشن آف پاکستان (کمیشن) کی جانب سے نوٹس دیئے جانے کی تاریخ سے ایسا کیا جانا لازم ہے۔ مزید برآں، تمام کمپنیوں پر لازم ہے کہ فزیکل صورت میں موجود اپنے شیئر ز کو بک انٹری کی صورت میں تبدیل کر لیں۔ اس پروویژن پر عمل درآمد کیلئے ایکٹ میں نفاذ کیلئے چار سال کا عرصہ مقرر کیا گیا ہے جس کی حتمی تاریخ 30 مئی 2021 ہے۔ سر دست ملاحظہ کرنے کیلئے سیکشن 72 کو ایک مرتبہ پھر ذیل میں پیش کیا جا رہا ہے:

"72- شیئر ز کا بک انٹری کی صورت میں اجراء - (1) ایکٹ ہذا کے آغاز کے بعد کمیشن کی جانب سے نوٹس دیئے جانے کی تاریخ سے ہر ایسی کمپنی جو کہ شیئر کمپنیل کی حامل ہو پر لازم ہوگا کہ اپنے شیئر ز کو صرف بک انٹری کی صورت میں ہی محفوظ رکھے۔

(2) تمام موجودہ کمپنیوں پر لازم ہوگا کہ اپنے فزیکل شیئر ز کو بک انٹری کی صورت میں تبدیل کرے جیسا کہ بیان کیا جا چکا اور ایسا کرنا کمیشن کی جانب سے نوٹس دیئے جانے کی تاریخ سے کیا جائے گا جس کا عرصہ ایکٹ ہذا کے اجراء کی تاریخ سے چار سال سے زائد نہ ہونا چاہیے:

بشرطیکہ ہذا خود کمیشن کی جانب سے مختلف اقسام کی کمپنیوں کیلئے مختلف تاریخوں کا نوٹس جاری کیا جائے:

بشرطیکہ کمیشن، اگر مناسب سمجھے، کی جانب سے پہلے سے اعلان شدہ وقت میں مزید دو سال تک کی توسیع کر دی جائے۔

(3) ایکٹ ہذا میں مذکور کسی شق کا اطلاق متعلقہ کمپنیوں شیئر ز یا درجہ بندی پر نہیں ہوگا جیسا کہ کمیشن کی جانب سے نوٹس دیا جائے۔"

مزید برآں، ریگولیشن 17 بابت کمپنیز (جزل پروویژن اینڈ فورمز) ریگولیشنز 2018 کے رو سے ذیل میں بیان کیا جاتا ہے کہ:

"17- شیئر ز کا بک انٹری کی صورت میں اجراء - نوٹس برائے سیکشن 72 بابت ایکٹ ہذا کے ذیل میں، تمام کمپنیاں جن پر لازم ہے کہ اپنے فزیکل شیئر ز کو بک انٹری

کی صورت میں تبدیل کر لیں سینٹرل ڈیپازٹری میں متعلقہ ریگولیشنز کے تحت کمپنی کے ڈیکلریشن کیلئے درخواست دیں گی کہ کمپنی کے شیئر ز سیکورٹیز کے معیار پر پورے اترتے

ہیں اور سینٹرل ڈیپازٹری کی جانب سے بک انٹری کی صورت میں جاری کئے جانے کے تمام تقاضے پورے کرتے ہیں۔"

ایکٹ میں مندرجہ مذکورہ بالا شرائط کے پیش نظر اور اس سے بھی آگے بڑھ کر معاملات کو ڈیکھنا نکر کرنے کی غرض سے، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اس بات کو زیر غور لارہی ہے کہ تمام پبلک لسٹڈ، غیر پبلک لسٹڈ، مفاد عامہ سے متعلق اور پرائیویٹ لمیٹڈ کمپنیوں کو اس بات کا پابند بنایا جائے کہ سیکشن 72 بابت کمپنیز ایکٹ 2017 کے تحت اپنے شیئر ز کو بک انٹری کی صورت میں محفوظ رکھیں۔ بک انٹری کی صورت میں محفوظ شیئر ز کی بھی وہی حیثیت ہوگی جو کہ فزیکل صورت میں جاری کردہ شیئر ز سرٹیفکیٹس کی ہے۔ تاہم فزیکل صورت میں موجود شیئر ز کی حیثیت کو مستقبل میں سیکشن 72 بابت کمپنیز ایکٹ 2017 سے عدم پاسداری کی بناء پر محدود کر دیا جائے گا۔ نوٹس کے اجراء کے بعد تمام کمپنیوں پر لازم ہے کہ اپنے فزیکل شیئر ز کو بک انٹری کی صورت میں تبدیل کر لیں اور ایس ای سی پی سے سنڈیا فٹ سینٹرل ڈیپازٹری کے پاس اپنے تمام موجودہ شیئر ز کی تبدیلی اور نئے شیئر ز کے اجراء کیلئے رابطہ کریں۔ سینٹرل ڈیپازٹری شیئر ز کی تبدیلی اور نئے شیئر ز کے اجراء کے سلسلے میں طریقہ کار تجویز کرے گا کہ کوئی دستاویزات درکار ہیں، کیا طریقہ اپنایا جائے گا اور اس سلسلے میں فیس و دیگر چارجز کیا ہونگے۔

مزید برآں، فزیکل صورت سے بک انٹری کی صورت میں شیئر ز کو منتقل کئے جانے کے بعد شیئر ز کے معاملات زیادہ مؤثر انداز سے نمٹائے جاسکتے ہیں، رسک کے خدشات میں کمی آئے گی اور اس سلسلے میں پیدا ہونے والے تنازعات کو بھی کم از کم کیا جاسکے گا۔ شیئر ز کو بک انٹری کی صورت میں منتقل کئے جانے کے بعد کارپوریٹ ایکشن کی صورت میں شیئر ز کے معاملات کو دیکھنا آسان ہو جائے گا جیسا کہ نوٹس / رائٹ شیئر ز کا اجراء اور شیئر ز کی منتقلی یا فروخت کے معاملات بھی اہل ہو جائیں گے۔ اسی طرح بک انٹری کی صورت میں ان سیکورٹیز کو بینکوں کے ساتھ برائے تمویل بطور رہن بھی استعمال کیا جاسکتا ہے۔ علاوہ ازیں، فزیکل شیئر ز سرٹیفکیٹس کے اجراء سے منسلک لاگت اور رسک کو بھی بک انٹری کے ذریعے قابو کیا جاسکتا ہے، ان میں ہوجانے / چرائے جانے یا ضائع ہوجانے کا خدشہ بھی موجود رہتا ہے، بک انٹری میں منتقل کئے جانے کے بعد ایسے تمام خطرات زائل ہو جائیں گے۔

لہذا، سانگھڑ شوگر ملز لمیٹڈ تمام حصص داران (جن کے پاس فزیکل صورت میں شیئر ز ہوں) سے درخواست کی جاتی ہے کہ فوری طور پر اپنے فزیکل شیئر ز کو بک انٹری میں منتقل کروالیں بصورت دیگر حصص داران (جن کے پاس فزیکل صورت میں شیئر ز ہوں) اور کمپنی کمیشن کی جانب سے جاری کردہ مذکورہ بالا شرائط کی پاسداری کرنے سے قاصر ہیں گے۔



Sanghar Sugar Mills Limited

PROXY FORM

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

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

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

CNIC No Folio No CDC Participant's ID. / Sub Account No holding Shares of the Company, as my/our Proxy in my/our absence to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Saturday January 27, 2024 at 11:00 a.m. at 3rd Floor, PSX Auditorium, Pakistan Stock Exchange Building (Administration Block), Stock Exchange Road, Karachi and at any adjournment thereof

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

Signed thisday of..... 2024 in the presence of:

Witness 1

Witness 2

Signature :

Signature :

Name :

Name :

CNIC No.:

CNIC No.:

Address :

Address :

NOTES:

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



پراکسی فارم

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

حصص برائے کمپنی بذریعہ ہذا جناب / محترمہ _____

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

اکاؤنٹ نمبر _____ حامل _____ حصص کمپنی ہذا کو مقرر کرتا / کرتی ہوں، بصورت دیگر جناب / محترمہ _____

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

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

اجلاس عام جو کہ بروز ہفتہ 27 جنوری 2024 صبح 11:00 بجے بمقام تیسری منزل، PSX آڈیٹوریم، پاکستان اسٹاک ایکسچینج بلڈنگ (ایڈمنسٹریشن بلاک)،

اسٹاک ایکسچینج روڈ، کراچی منعقد کیا جا رہا ہے یا اس اجلاس کے مؤخر ہونے کی صورت میں اس کی جگہ دوسرے اجلاس میں شرکت کرے اور میری / ہماری جانب سے حق رائے

دہی بھی استعمال کرے۔

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

دستخط شدہ بتاریخ _____ بروز _____ 2024 درج ذیل افراد کی موجودگی میں

گواہ نمبر 1

گواہ نمبر 2

دستخط _____ دستخط _____

نام _____ نام _____

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

پتہ _____ پتہ _____

ہدایات:

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



سانگھڑ شوگر ملز لمیٹید
Sanghar Sugar Mills Limited

REGISTERED / HEAD OFFICE:

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

Phone: 021 35371441 to 43 (3 lines)

Fax: 021 35371444

E-mail: info@sangharsugarmills.com

Website: www.sangharsugarmills.com

MANUFACTURING FACILITIES

13 K.M., Sanghar - Sindhari Road
Deh Kehore, District Sanghar, Sindh

Phone: (0345) 3737001 - 8222911