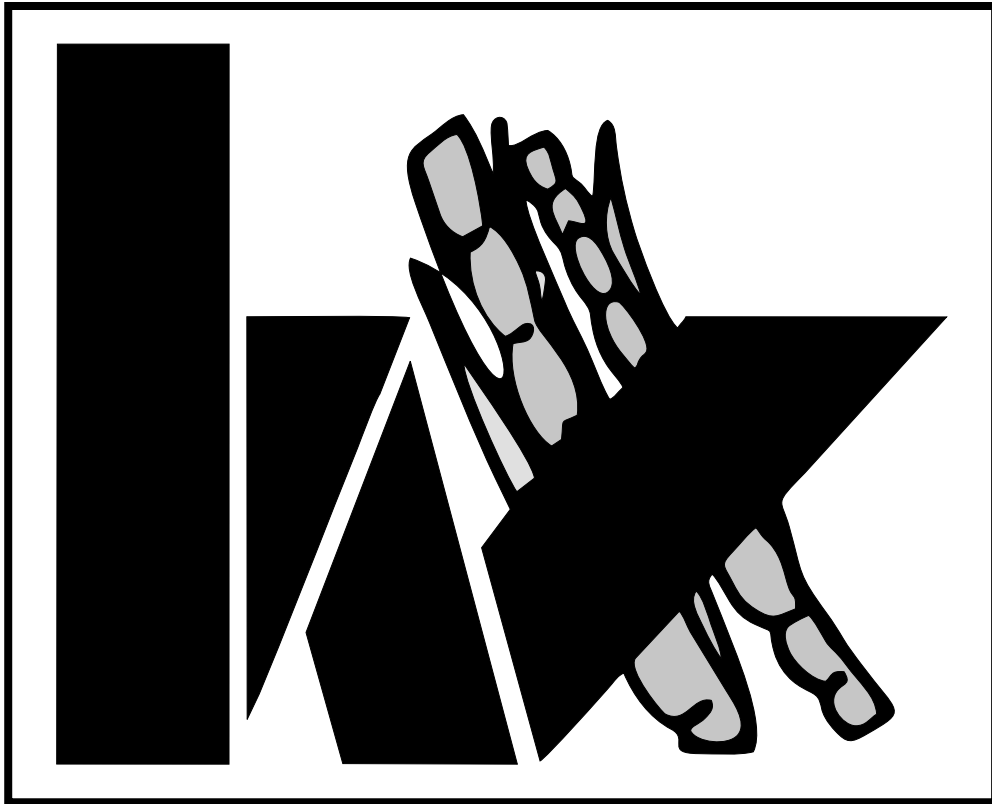


# Annual Report 2023



**HASEEB WAQAS SUGAR MILLS LIMITED**



<b>CONTENTS</b>	<b>PAGE</b>
1. Company's Vision & Mission Statements	01
2. Company Information	02
3. Notice of Annual General Meeting	03 - 05
4. Chairman's Review	06 - 09
5. Directors' Report	10 - 18
6. Six Years Review at a Glance	19
7. Pattern of Shareholding	20 - 24
8. Statement of Compliance with the Best Practice of Code of Corporate Governance	25 - 27
9. Independent Auditor's Report	28 - 36
10. Balance Sheet	37
11. Profit & Loss Account	38
12. Statement of Comprehensive Income	39
13. Statement of Cash Flows	40
14. Statement of Changes in Equity	41
15. Notes of the Financial Statement	42 - 69
16. Proxy Form	70



## Vision & Mission Statements

### THE VISION

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

### THE MISSION

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



## Company Information

### Board of Directors

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

Chairman  
Director/Chief Executive  
Director  
Director  
Director  
Director  
Director  
Director

### Audit Committee

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

### Human Resource & Remuneration Committee

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

### Company Secretary

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

### Chief Financial Officer

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

### Auditors

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

### Registrar

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

### Mills

Mouza Jagmal, Tehsil Jattoi  
District. Muzaffargarh

### Registered Office

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

### Bankers

National Bank of Pakistan  
Sindh Bank Limited  
The Bank of Punjab

### Legal Advisor

Muhammad Ahsan Khan  
(Advocate)



## HASEEB WAQAS SUGAR MILLS LIMITED NOTICE OF 32<sup>ND</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the **32<sup>nd</sup> Annual General Meeting** of **Haseeb Waqas Sugar Mills Limited** will be held at its Registered Office, 06-F, Model Town, Lahore on **Saturday, 27<sup>th</sup> of January 2024** at **09:00 a.m.** to transact the following business:-

1. To confirm the minutes of the 31<sup>st</sup> Annual General Meeting held on 28 January 2023.
2. To receive, consider and adopt the Annual Audited Accounts of the Company for the year ended 30 September 2023 together with Directors' and Auditors' Report thereon.
3. To appoint Auditors of the Company for the year ending 30 September 2024 and to fix their remuneration. The retiring auditors M/S Qadeer & Company, Chartered Accountants, being eligible, have offered themselves for re-appointment.
4. To approve, as and by way of an Ordinary Resolution, the transmission of the annual balance sheet, profit & loss account, auditors report, directors report (the "Audited Annual Financial Statements") and the notice of general meetings etc. to the Company's shareholders through email or QR enabled code and weblink as allowed by the Securities and Exchange Commission of Pakistan via S.R.O No. 389(I)/2023 dated March 21, 2023:

*"RESOLVED THAT as notified by the Securities and Exchange Commission of Pakistan via S.R.O No. 389(I)/2023 dated March 21, 2023 transmission of Audited Annual Financial Statements to the members through QR enabled code and weblink instead of transmitting the Audited Annual Financial Statements through CD/DVD/USB, be and is hereby ratified and approved for future."*

5. To transact any other business with the permission of the Chair.

By Order of the Board

(ANSAR AHMED, FCA)  
Company Secretary

Place: **Lahore**

Dated: **08 January 2024**

### Notes:

1. The Members Register will remain closed from 19 January 2024 to 27 January 2024 (both days inclusive). Transfers received at Hameed Majeed Associates (Pvt.) Limited, H.M. House, 7-Bank Square, Lahore, the Registrar and Shares Transfer Office of the Company, by the close of business on 18 January 2024 will be treated in time for the purpose of Annual General Meeting.



2. A member eligible to attend and vote at the meeting may appoint another member as proxy to attend and vote in the meeting. Proxies in order to be effective must be received by the company at the Registered Office not later than 48 hours before the time for holding the meeting.
3. In order to be valid, an instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney, must be deposited at the Registered Office of the Company, 06-F, Model Town, Lahore, not less than 48 hours before the time of the meeting.
4.
  - a) individual beneficial owners of CDC entitled to attend and vote at the meeting must bring his/her participant ID and account/sub account number along with original CNIC or passport to authenticate his/her identity. In case of corporate entity, resolution of the Board of Directors/Power of Attorney with specimen signatures of nominees shall be produced (unless provided earlier) at the time of meeting.
  - b) For appointing of proxies, the individual beneficial owners of CDC shall submit the proxy form as per above requirement along with participant ID and account/sub account number together with attested copy of their CNIC or Passport. The proxy form shall be witnessed by two witnesses with their names, addresses and CNIC numbers. The proxy shall produce his/her original CNIC or Passport at the time of meeting. In case of corporate entity, resolution of the Board of Director/Power of Attorney along with specimen signatures shall be submitted (unless submitted earlier) along with the proxy form.
5. As per Section 72 of the Companies Act, 2017 every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission. The shareholders having physical shareholding are encouraged to open CDC sub account with any of the brokers or Investor Account directly with CDC to place their physical shares into scrip less form, this will facilitate them in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.
6. To circulate annual audited financial statements through QR enabled code SECP, vide its notification No. SRO 389(1)/2023, have allowed to the listed companies to circulate the annual balance sheet and profit and loss account, auditor's report, etc. annual financial statements to its members through QR enabled code and weblink to its members subject to approval of shareholders in the Annual General Meeting. This facility will help all members, wherever they are located, to access the financial statements of the company, secondly it will also reduce unnecessary expenditure for making CDs etc. it was also noted that most new computers do not have CD Rom as well, which was causing problems for many members. Considering technological advancements and old technology becoming obsolete, the circulation of annual audited financial statements through CD/DVD/USB will be discontinued.

The company will supply the hard copies of the annual audited financial statements to the shareholders on demand, free of cost, within one week of such demand. In this regard the company will place a standard request form on its website along with designated postal and email address of the company secretary/share registrar to whom such requests will be made. No directors have direct or indirect interest in the above said business other than as shareholders of the company.
7. Members are requested to notify any change in their registered address immediately.

**Statements under section 134(3) of the Companies Act, 2017 are annexed to the notice of meeting circulated to the members of the Company.**



## حسیب وقاص شوگر ملز لمیٹڈ نوٹس 32 واں سالانہ اجلاس عام

- پدریج پنا مطلع کیا جاتا ہے کہ حسیب وقاص شوگر ملز لمیٹڈ کا 32 واں سالانہ اجلاس عام اس کے رجسٹرڈ دفتر، F-06، سالانہ ٹاؤن، لاہور میں 30 جنوری 2024 بروز منگل، صبح 9:00 بجے درج ذیل امور کی اہم دہی کے لیے منعقد ہوگا۔
- 1- 28 جنوری 2023 کو منسوخہ 31 ویں سالانہ اجلاس عام کی قرارداد کی تصدیق کرنا۔
  - 2- 30 ستمبر 2023 کو ختم ہونے والے سال کے لیے کھلی کے سالانہ آؤٹ شدہ فراہم کنندگان مع اس کے ڈائریکٹرز اور آڈیٹرز کی رپورٹ وصول کرنا، زیر غور لانا اور اس کی منظوری دینا۔
  - 3- 30 ستمبر 2024 کو ختم ہونے والے سال کے لیے کھلی کے آڈیٹرز کی تقریری کوٹھاروں کا معیار مقرر کرنا۔ رپورٹ ہونے والے آڈیٹرز سمیت رٹرن اینڈ کھلی، چارج ڈائریکٹرز، اہل ہونے کے ناطے، اس میں وہ پارہ تقریری کے نئے قواعد کو پیش کیا ہے۔
  - 4- آؤٹ شدہ مالیاتی گوشواروں کو نوٹس کی ای میل کے ذریعے ترسیل۔
- ممبروں کو مطلع کیا جاتا ہے کہ ایس ای سی پی ایس ایس آر آر 2014 / (1) 787 تاریخ 8 ستمبر 2014 کے مطابق ہر کینیڈا ایکٹ 2017 کے سیکشن (6) 223 کے تحت آؤٹ شدہ مالیاتی گوشواروں اور سالانہ عام اجلاس کے نوٹس کو کینیڈا ایکٹ فارمیٹ میں ای میل کے ذریعے ترسیل کرنے کی اجازت دی گئی ہے۔ مذکورہ بالا تقاضوں کی تعمیل میں، وہ اراکین جو سالانہ رپورٹ 2023 کو الیکٹرانک فارم کی صورت میں وصولی کرنا چاہتے ہیں، کھلی کی ویب سائٹ پر فراہم کردہ فارم کے مطابق ایس آر آر کے تقاضوں کے مطابق درخواست جمع کروا سکتے ہیں۔ جن اراکین نے سالانہ رپورٹ 2023 کے وصولی کے لیے رضا مندی فراہم کی ہے وہ ہر اس پر ڈاکھائی سمیت کسی دیگر میٹیا سے تعلق اور خواست کر سکتے ہیں جو انہیں یا معاوضہ فراہم کی جاسکتی ہے۔

5- سربراہ اجلاس کی اجازت سے کوئی دیگر امور اہم دہی۔  
 تاریخ: 8 جنوری 2024  
 مہتمم  
 انصاف احمد، ای سی سی پی  
 کھلی سیکرٹری

### نوٹس

- 1- ممبرز رجسٹرڈ مورچہ 22 جنوری 2024 تا 30 جنوری 2024 بشمول دو دنوں ایام ہفتہ رہنے کا عہدہ مجید لدوی ایس ایچ ایچ ایس، 7 پبلک سکوائر، لاہور، رجسٹرڈ اور شیڈولڈ لائسنسڈ آفس برائے کھلی میں 20 جنوری 2024 کو نوٹس کار کے اہتمام تک موصول ہونے والی شکایات سالانہ عام اجلاس عام کے لیے بروقت تصدیق کرنا چاہئیں گی۔
- 2- اجلاس میں شرکت اور ووٹ دینے کا اہل رہنے کسی دوسرے رکن کو اجلاس میں شرکت کرنے اور ووٹ دینے کے لیے بغیر اسے کسی مقرر کر سکتا ہے۔ یہ کسی کو موثر حیثیت دینے کے لیے یہ اجلاس کے انعقاد کے وقت سے 48 گھنٹے قبل رجسٹرڈ دفتر میں موصول ہو جانی چاہئے۔
- 3- موثر حیثیت دینے کے لیے یہ کسی کی دستخط اور پارہ آؤٹ اہلٹی یا دیگر اہلٹی اور کوئی اور جس کے تحت یہ دیکھا شدہ ہو یا اس پارہ آؤٹ اہلٹی کی نوٹری سرٹیفیکیشن لینی، کھلی کے رجسٹرڈ دفتر، F-06، سالانہ ٹاؤن، لاہور میں اجلاس کے وقت سے قبل 48 گھنٹے تک جمع کروا دی جاسکتے۔
- 4- ای سی سی پی کے انفرادی سٹیٹمنٹس مالکان، جو اجلاس میں شرکت اور ووٹ دینے کے اختتام تک پہنچانے اور اپنا شرکت کا آئی ڈی اور فلائٹ اسب فلائٹ نمبر مع اصل سی این آئی سی یا پاسپورٹ، اپنی شناخت کی تصدیق کے لیے، لازماً فراہم لائیں۔ کارپوریٹ اہلٹی کی صورت میں بورڈ آف ڈائریکٹرز اور آؤٹ اہلٹی کی قرارداد مع پارہ کٹھن کے دیکھنے کے لیے اجلاس کے لیے فراہم کر دینے چاہئیں، اجلاس کے وقت پیش کرنا ہوں گے۔ یہ ای سی سی پی کی ذمہ داری ہے کہ ای سی سی پی کے انفرادی سٹیٹمنٹس مالکان یا کسی فارم مطابق مذکورہ پارہ فراہم مع شرکت کا آئی ڈی اور فلائٹ اسب فلائٹ نمبر فراہم دینے سی این آئی سی یا پاسپورٹ کی تصدیق لینی کے ساتھ پیش کرنا ہوگی۔
- 5- کینیڈا ایکٹ، 2017 کے سیکشن 72 کی رو سے م موجودہ سلسلہ کھلی اپنے فزیکل شیڈول کی جگہ ایک انٹرنیٹ فارم کھلی کی طرف نوٹیفیکیشن جاری سے اور اس کی نئے شدہ شکل میں دینے کی پابند ہوگی۔ فزیکل شیڈول فلائٹ کے حامل شیڈولڈرز کی حوصلہ افزائی کی جاتی ہے کہ وہ کھلی بروکرز کے پاس ای سی سی پی سب فلائٹ پارہ راست سی ڈی ای سی ایس انٹرنیٹ فلائٹ سسٹم میں پارہ کھلی کے فزیکل شیڈولڈرز کو فزیکل کھلی میں لایا جائے، جس کی کئی مثالوں سے سہولت ہوگی، بشمول ان کی مطلوبہ فزیکل اور شیڈولڈرز کی فراہم سے وہ کسی بھی وقت کر سکتے ہیں۔
- 6- QR-5 فعال کرانے کے ذریعے سالانہ آؤٹ شدہ مالیاتی گوشواروں کی ترسیل۔  
 ایس ای سی پی نے اپنے نوٹیفیکیشن ٹیبلٹس ایس آر آر 2023 (1) 389 کو 21 مارچ 2023 کے ذریعے سلسلہ کھلیوں کو سالانہ ایس ایس ایس اور نتائج اور نقصان کے اکاؤنٹ، آڈیٹرز کی رپورٹ اور ڈائریکٹرز کی رپورٹ وغیرہ، سالانہ عام اجلاس میں شیڈولڈرز کی منظوری سے مشروط "سالانہ آؤٹ شدہ مالیاتی گوشواروں" اپنے اراکین کو QR فعال کرنا اور ویب لنک کے ذریعے اپنے اراکین کو ترسیل کرنے کی اجازت دی ہے۔ یہ سہولت تمام اراکین کو، چاہے وہ جہاں نہیں بھی ہوں، کھلی کے مالی گوشواروں کو رسائی حاصل کرنے میں مدد فراہم کرے گی۔ دوسری بات یہ کہ اس سے سی ڈی ایس وغیرہ ناطے کے غیر ضروری ہتھیاروں میں بھی کمی آئے گی، یہ بھی نوٹ کیا گیا ہے کہ لپاؤنڈ کے کھلیوں میں سی ڈی ایس بھی موجود نہیں، جس کی وجہ سے دفتر ممبروں کو یہ پیشانی کا سامنا کرنا پڑ رہا ہے۔  
 کھلی ترقی اور مزون کر سوزہ کھلی کو دیکھنے کے لیے CD/DVD/USB کے ذریعے سالانہ آؤٹ شدہ مالیاتی گوشواروں کی ترسیل کو مستطیع کر دیا جاسکتا ہے۔ کھلی طلب کے مطابق سالانہ آؤٹ شدہ مالیاتی گوشواروں کی پڈا کھلیاں شیڈولڈرز کو ایس ایس ایس کے ایک ہنڈ کے ہندو یا معاوضہ فراہم کرے گی۔ اس سلسلے میں کھلی اپنی ویب سائٹ پر کھلی سیکرٹری شیڈولڈرز کے پڈا پر عمل اور ای میل ایڈریس کے ساتھ ایک ایس ایس ایس درخواست فارم دستیاب کرنے کی جس سے ایسی تمام درخواستیں وارنر کی جائیں گی۔  
 کھلی کے شیڈولڈرز کے علاوہ کسی بھی ڈائریکٹرز کی مذکورہ فراہمی امور میں بروہ راست یا باواسطہ دلچسپی نہیں ہے۔
- 7- اراکین سے درخواست ہے کہ وہ اپنے رجسٹرڈ پتہ میں کسی بھی تبدیلی کے بارے میں فی الفور مطلع کریں۔



## HASEEB WAQAS SUGAR MILLS LIMITED

### Chairman's Review

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

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

I am pleased to present the Annual Review for the year ended 30 September 2023:

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





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

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

Lahore  
08 January 2024

  
Raza Mustafa  
Chairman



حسیب وقاص شوگر ملز لمیٹڈ

چیئرمین کا جائزہ

بورڈ کی مجموعی کارکردگی اور کمپنیز ایکٹ 2017 کے تحت کمپنی کے 192 کے مقاصد کے حصول میں بورڈ کی طرف سے ادا کیے گئے کردار کے بارے میں چیئرمین کی جائزہ رپورٹ۔

جیسا کہ کوڈ آف کارپوریٹ گورننس کے تحت ضرورت ہے، حسیب وقاص شوگر ملز لمیٹڈ ("کمپنی") کے بورڈ آف ڈائریکٹرز ("بورڈ") کا سالانہ جائزہ لیا جاتا ہے۔ اس تجزیے کا مقصد اس بات کو یقینی بنانا ہے کہ بورڈ کی مجموعی کارکردگی اور تاثیر کو کمپنی کے لیے مقرر کردہ مقاصد کے تناظر میں توقعات کے خلاف مایا اور بینچ مارک کیا جائے۔ جن شعبوں میں بہتری کی ضرورت ہے ان پر مناسب غور کیا جاتا ہے اور ایکشن پلان بنایا جاتا ہے۔

مجھے 30 ستمبر 2023 کو ختم ہونے والے سال کا سالانہ جائزہ پیش کرتے ہوئے خوشی ہو رہی ہے۔

حسیب وقاص شوگر ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز ("بورڈ") نے کمپنی کے حصص یافتگان کے بہترین مفاد کو برقرار رکھنے کے لیے - تندہی سے اپنی ذمہ داریاں نبھائی ہیں اور کمپنی کے معاملات کو موثر اور موثر انداز میں چلایا ہے۔

حسیب وقاص شوگر ملز لمیٹڈ کا بورڈ انتہائی پیشہ ور اور تجربہ کار افراد پر مشتمل ہے۔ وہ آزاد ڈائریکٹر سمیت ایک وسیع تجربہ - لائے ہیں۔ بورڈ کے تمام ممبران اپنی ذمہ داریوں سے بخوبی واقف ہیں اور ان کو تندہی سے پورا کر رہے ہیں۔

بورڈ کے پاس بورڈ اور اس کی کمیٹیوں میں غیر ایگزیکٹو اور آزاد ڈائریکٹرز کی مناسب نمائندگی ہے جیسا کہ ضابطہ کے تحت مطلوب ہے اور بورڈ اور اس کی متعلقہ کمیٹیوں کے ممبران کے پاس کمپنی کے معاملات کو منظم کرنے کے لیے کافی مہارت کا تجربہ اور علم ہے؛

بورڈ نے اس بات کو یقینی بنایا ہے کہ ڈائریکٹرز کو اورینٹیشن کورسز فراہم کیے جائیں تاکہ وہ اپنے فرائض کو مؤثر طریقے سے انجام - دے سکیں۔ بورڈ نے ہمارے ڈائریکٹر مسٹر عبداللہ الیاس اور مس اقصیٰ ریاض کے لیے ڈائریکٹرز کے تربیتی پروگرام کا اہتمام نہیں کیا اور باقی ڈائریکٹرز ضابطہ کی اہلیت اور تجربے کے معیار پر پورا اترتے ہیں۔

بورڈ نے ایک آڈٹ اور انسانی وسائل اور معاوضے کی کمیٹی تشکیل دی ہے اور اس نے اپنے متعلقہ شرائط کی منظوری دی ہے اور - مناسب وسائل تفویض کیے ہیں تاکہ کمیٹیاں اپنی ذمہ داریاں پوری تندہی سے انجام دیں۔

بورڈ نے اس بات کو یقینی بنایا ہے کہ بورڈ اور اس کی کمیٹی کی میٹنگیں مطلوبہ کورم کے ساتھ ہوں، تمام فیصلے بورڈ کی قرارداد کے ذریعے کیے گئے اور تمام میٹنگز (بشمول کمیٹیوں) کے منٹس کو مناسب طریقے سے ریکارڈ اور برقرار رکھا گیا ہے۔



بورڈ نے اسٹریٹجک پلاننگ کے عمل انٹریپرائز رسک مینجمنٹ سسٹم، پالیسی ڈویلپمنٹ، اور مالیاتی ڈھانچے، نگرانی اور منظوری میں - فعال طور پر حصہ لیا ہے۔ کارپوریٹ فیصلہ سازی کے عمل کو مضبوط اور باضابطہ بنانے کے لیے سال بھر کے تمام اہم مسائل بورڈ یا اس کی کمیٹیوں کے سامنے پیش کیے گئے۔

کارپوریٹ فیصلہ سازی کے عمل کو مضبوط اور باضابطہ بنانے کے لیے سال بھر کے تمام اہم معاملات بورڈ یا اس کی کمیٹیوں کے - سامنے پیش کیے گئے تھے اور خاص طور پر کمپنی کے ذریعے کیے گئے تمام متعلقہ فریق لین دین کو آڈٹ کمیٹی کی سفارش پر بورڈ نے منظور کیا تھا۔

بورڈ نے اس بات کو یقینی بنایا ہے کہ اندرونی کنٹرول کا مناسب نظام موجود ہے اور خود تشخیصی طریقہ کار اور/یا اندرونی آڈٹ - سرگرمیوں کے ذریعے اس کا باقاعدہ جائزہ لیا جاتا ہے۔

بورڈ نے ڈائریکٹر کی رپورٹ تیار اور منظور کر لی ہے اور اس بات کو یقینی بنایا ہے کہ ڈائریکٹر کی رپورٹ کمپنی کے سہ ماہی اور - سالانہ مالیاتی بیان کے ساتھ شائع کی جائے اور ڈائریکٹر کی رپورٹ کا مواد قابل اطلاق قوانین اور ضابطوں کے تقاضوں کے مطابق ہو۔

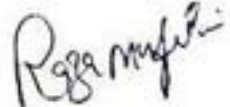
بورڈ نے کمپنی پر لاگو متعلقہ قوانین اور ضابطوں کے مطابق بورڈ کو تفویض کردہ اختیارات کی روشنی میں اپنے اختیارات کا استعمال - کیا ہے اور بورڈ نے بطور ڈائریکٹر ان کے طرز عمل کے لحاظ سے تمام قابل اطلاق قوانین اور ضابطوں کی تعمیل کو ہمیشہ ترجیح دی ہے۔ اور اپنے اختیارات اور فیصلہ سازی کا استعمال۔

بورڈ نے چیف ایگزیکٹو اور دیگر اہم ایگزیکٹوز بشمول چیف فنانشل آفیسر، کمپنی سیکرٹری، اور ہیڈ آف انٹرنل آڈٹ کی بھرتی - تشخیص اور معاوضہ کو یقینی بنایا ہے۔

بورڈ نے اس بات کو یقینی بنایا ہے کہ اس کے اراکین کے درمیان بروقت مناسب معلومات کا اشتراک کیا جائے اور بورڈ کے اراکین کو - میٹنگوں کے درمیان ہونے والی پیش رفت سے باخبر رکھا جائے۔

میں اپنے ساتھی ڈائریکٹرز، شیئر ہولڈرز، انتظامیہ اور عملے کا شکریہ اور تعریف کے ساتھ ریکارڈ پر رکھنا چاہوں گا کہ انہوں نے انتہائی - مشکل آپریٹنگ حالات میں مسلسل تعاون کیا۔ میں کمپنی کے لیے مستقبل میں مزید کامیابیوں کا منتظر ہوں۔

لاہور  
08 جنوری 2024

  
رضامصطفیٰ چیئرمین



## DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

The Directors of your Company take pleasure in presenting the Company's 32<sup>nd</sup> Annual Report and Audited Financial Statements for the year ended 30 September 2023 together with the Auditors' Report thereon.

### FINANCIAL INDICATORS

The financial results of your company for the year ended 30 September 2023 are summarized as follows:

	For the year ended 30 September 2023 (Rupees)	
	2023	2022
Net Sales	-	-
Gross Profit/ (Loss)	(305,039,590)	(150,781,542)
Net Profit / (Loss) before tax	(477,935,797)	(214,710,030)
Net Profit (Loss) after tax	(466,344,822)	(184,954,578)
Basic Earning	(14.39)	(5.71)

Alhamdulillah, by the Grace of Almighty Allah, Government of the Punjab has accorded approval for regularization of your company. The Management of the company is hopeful of catching the crushing season 2024-25 and optimistic of doing the crushing at its maximum level.

The financial statements of the Company indicate that the During the year, the Company incurred gross loss amounting to Rs.305,039,590 (2022: 150,781,542) and net loss from operations amounting to Rs.352,711,191 (2022: 30,020,273) and accumulated losses Rs.5,496,427,007 (2022: Rs.4207,016,723). Moreover, the current liabilities exceed current assets by Rs.3,959,627,114 (2022: Rs.3,782,879,825).

### Audit Reports Observations

Management would like to submit that we are in the process of arranging funds to run the mills in the coming season & all these audit observations would be resolved once mills are operational.

However our response to the audit observations is as under:

- Gratuity Payable Rs.17.728 Million. Actuarial valuation not provided. Since unit is not in operation & few employees are working in the organization therefore did not carry out the valuation. Once we are in operations will carry out the valuation.



- Since Mills were closed for the last 5 -6 years therefore could not pay the sales tax liability. Will pay the same before running the mills and will be on active Tax Payer List before start of coming season.
- Alhamdulillah Sindh Bank Limited has approved rescheduling/ restructuring of unit & we will comply the same. We are in the process of getting approval of Rescheduling/Restricting of loans from National Bank & Silk Bank Limited as well & hope to get it done before start of mills operations. Regarding PAIR Investment & First national Bank Modaraba we have approached them for settlement as well & hopeful of getting it done.
- Trade & Other Payables, confirmation letters were circulated to various parties but response was poor. However we are taking up the matter & would try to get response from the parties to confirm the balances.
- Regarding unclaimed dividend, will resolve the same, once mills are in operations
- Advances, deposits and prepayments mainly consist of Advance Income Tax which will be adjusted once the assessment is finalized.

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

	2024	Projected 2025	2026
Sugar Cane crushing M.T	500,000	800,000	810,000
Sugar Cane rate	425	425	430
Sugar Price per kg	60	95	95

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

## **CHANGES ON THE BOARD OF DIRECTORS**

Since the last Annual General Meeting, Mr. Haseeb Ilyas, Director/Chief Executive resigned from the post of Directorship. Mr. Abdullah Ilyas has been appointed respectively as Director/Chief Executive of the Company to fill the casual vacancy.

## **FUTURE OUTLOOK**

Management of the company is hopeful of catching the crushing season 2024-25 and optimistic of doing the crushing at its maximum level.



## DIVIDEND

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

## AUDITORS

The present auditors M/s Qadeer & Co., Chartered Accountants, are retiring and being eligible, have offered themselves for re-appointment for the ensuing year. The Audit Committee has recommended the re-appointment of M/s Qadeer & Co., Chartered Accountants, as auditors of the Company for year ending 30 September 2024.

## CODE OF CORPORATE GOVERNANCE

The Company has fully complied with requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019. A Statement of Compliance is provided under the relevant section of the report.

### **STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK:**

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

- The financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of accounts have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and departure there from, if any, has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented by the management and monitored by internal and external Auditors as well as Audit Committee. The Board reviews the effectiveness of established internal control through Audit Committee and further improvement in the internal control systems, wherever required.
- There are no doubts upon the Company's ability to continue as a going concern. The Company has adequate resources to continue in operation for the foreseeable future.



- There has been no material departure from the best practices of the Corporate Governance as detailed in the Listing Regulations.
- Key operating and financial data of last six years, in summarized form, is annexed.
- Information about outstanding taxes and other government levies are given in related note(s) to the accounts.
- The company strictly complies with the standard of safety rules & regulations. It also follows environmental friendly policies.
- During the year under review, Four (04) meetings of the Board of Directors were held. The attendance by each Director is as follows:

<i>Sr#.</i>	<i>Name of Directors</i>	<i>Attendance</i>
1.	Mr. Raza Mustafa	04
2.	Mr. Abdullah (Director)	03
3.	Mian Waqas Riaz	04
4.	Mrs. Zainab Waqas	04
5.	Mrs. Shahzadi Ilyas	04
6.	Mrs. Zakia Ilyas	04
7.	Mrs. Yasmin Riaz	04
8.	Miss. Aqsa Riaz	04

- The Statement of Code of Ethics and Business Practices has been developed and duly signed by the directors and employees of the Company in acknowledgement thereof.
- The Board has constituted an Audit Committee in compliance with the Code of Corporate Governance. It comprises of the following three (3) members who are Non-Executive Directors;

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

- A statement of the pattern of shareholdings and additional information as at 30 September 2023 is annexed.
- During the year under review, no shares were traded by Board of Directors, Chief Financial Officer, Company Secretary, their spouses and minor children other than mentioned below:

Name of Directors: Mr. Abdullah Ilyas purchase shares 839,000 in April 2023

- All the major decisions relating to investment or disinvestment of funds, changes in significant policies and overall corporate strategies, appointment, remuneration and terms & conditions of appointment of Chief Executive Officer and Executive Directors are taken over by the Board of Directors.



## ACKNOWLEDGEMENT:

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

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

**On behalf of the Board**

**(ABDULLAH ILYAS)  
Chief Executive**

**Lahore  
08 January 2024**





## ڈائریکٹرز کی رپورٹ

30 ستمبر 2023 کو ختم ہونے والے سال کے لیے

آپ کی کمپنی کے ڈائریکٹرز 30 ستمبر 2023 کو ختم ہونے والے سال کے لیے کمپنی کی 32 ویں سالانہ رپورٹ اور آڈٹ شدہ مالیاتی گوشواروں کے ساتھ اس پر آڈیٹرز کی رپورٹ پیش کرنے میں خوشی محسوس کرتے ہیں۔

مالیاتی اشارے

30 ستمبر 2023 کو ختم ہونے والے سال کے لیے آپ کی کمپنی کے مالی نتائج کا خلاصہ درج ذیل ہے:

	ختم ہونے والے سال کے لیے 30 ستمبر 2023 (روپے)	
	2023	2022
خالص فروخت	-	-
مجموعی منافع / (نقصان)	(305,039,590)	(150,781,542)
ٹیکس سے پہلے خالص منافع / (نقصان)	(477,935,797)	(214,710,030)
ٹیکس کے بعد خالص منافع (نقصان)	(466,344,822)	(184,954,578)
بنیادی کمائی	(14.39)	(5.71)

الحمد لله، اللہ تعالیٰ کے فضل و کرم سے حکومت پنجاب نے آپ کی کمپنی کو ریگولرائز کرنے کی منظوری دے دی ہے۔ کمپنی کی انتظامیہ کرشنگ سیزن 2024-25 کو پکڑنے کے لیے پر امید ہے اور اپنی زیادہ سے زیادہ سطح پر کرشنگ کرنے کے لیے پر امید ہے۔

کمپنی کے مالیاتی بیانات سے ظاہر ہوتا ہے کہ سال کے دوران کمپنی کو مجموعی طور پر 305,039,590 روپے (2022): 150,781,542 اور آپریشنز سے 352,711,191 روپے (2022): 30,020,20,74,742 کا مجموعی نقصان ہوا (2022): روپے 4207,016,723۔ مزید برآں، موجودہ واجبات موجودہ اثاثوں سے 3,959,627,114 روپے (2022): Rs.3,782,879,825 سے زیادہ ہیں۔

## آڈٹ رپورٹس کے مشاہدات

انتظامیہ یہ عرض کرنا چاہے گی کہ ہم آنے والے سیزن میں ملز کو چلانے کے لیے فنڈز کا بندوبست کرنے کے عمل میں ہیں اور یہ تمام آڈٹ مشاہدات ملز کے کام کرنے کے بعد حل کر دیے جائیں گے۔

تاہم آڈٹ مشاہدات پر ہمارا جواب حسب ذیل ہے:

- قابل ادائیگی 17.728 ملین روپے۔ ایکچوریل ویلیوایشن فراہم نہیں کی گئی۔ چونکہ یونٹ کام نہیں کر رہا ہے اور ادارے میں چند ملازمین کام کر رہے ہیں اس لیے قیمت کا تعین نہیں کیا۔ ہم آپریشن میں ایک بار تشخیص باہر لے جائے گا۔
- چونکہ ملز پچھلے 5-6 سالوں سے بند تھیں اس لیے سیلز ٹیکس کی ادائیگی نہیں کر سکیں۔ ملوں کو چلانے سے پہلے وہی ادائیگی کریں گے اور آنے والے سیزن کے آغاز سے پہلے فعال ٹیکس دہندگان کی فہرست میں شامل ہوں گے۔
- الحمد لله سندھ بینک لمیٹڈ نے یونٹ کی ری شیڈولنگ / ری اسٹرکچرنگ کی منظوری دے دی ہے اور ہم اس کی تعمیل کریں گے۔ ہم نیشنل بینک اور سلک بینک لمیٹڈ سے بھی قرضوں کی ری شیڈولنگ / پابندی کی منظوری حاصل کرنے کے عمل میں ہیں اور امید کرتے ہیں کہ ملز کے آپریشن شروع ہونے سے پہلے اسے مکمل کر لیا جائے گا۔



بیئر انویسٹمنٹ اور فرسٹ نیشنل بینک مضاربہ کے حوالے سے ہم نے ان سے بھی تصفیہ کے لیے رابطہ کیا ہے اور امید ہے کہ یہ ہو جائے گا۔

- تجارت اور دیگر ادائیگیاں، تصدیقی خطوط مختلف فریقوں کو بھیجے گئے لیکن جواب ناقص تھا۔ تاہم ہم اس معاملے کو اٹھا رہے ہیں اور بیلنس کی تصدیق کے لیے فریقین سے جواب حاصل کرنے کی کوشش کریں گے۔
- غیر دعویٰ شدہ ڈیویڈنڈ کے بارے میں، ملوں کے کام کرنے کے بعد، اسی کو حل کریں گے
- ایڈوانسز، ڈپازٹس اور قبل از ادائیگی بنیادی طور پر ایڈوانس انکم ٹیکس پر مشتمل ہوتا ہے جسے اسپیسمنٹ کو حتمی شکل دینے کے بعد ایڈجسٹ کیا جائے گا۔

انتظامیہ کی طرف سے اس کے جاری تشویش کے جائزے کی حمایت کے لیے تیار کردہ متوقع مالی بیانات درج ذیل مفروضوں پر مبنی ہیں:

	متوقع		
	2024	2025	2026
گنے کی کرشنگ ایم ٹی	500,000	800,000	810,000
گنے کا ریٹ	425	425	430
چینی کی قیمت فی کلو	60	95	95

تاہم، یہ خیال کیا جاتا ہے کہ پچھلے پیراگراف میں بیان کردہ تخفیف کرنے والے عوامل پر غور کرتے ہوئے، تشویش کا مفروضہ مناسب ہے اور اس طرح، اس نے ان مالی بیانات کو جاری تشویش کی بنیاد پر تیار کیا ہے۔

## بورڈ آف ڈائریکٹرز میں تبدیلیاں

گزشتہ سالانہ جنرل میٹنگ کے بعد سے، جناب حسیب الیاس، ڈائریکٹر / چیف ایگزیکٹو نے ڈائریکٹر شپ کے عہدے سے استعفیٰ دے دیا۔ جناب عبداللہ الیاس کو بالترتیب کمپنی کا ڈائریکٹر / چیف ایگزیکٹو مقرر کیا گیا ہے تاکہ اس آسامی کو پُر کیا جا سکے۔

## مستقبل کا آؤٹ لک

کمپنی کی انتظامیہ کرشنگ سیزن 2024-25 کو پکڑنے کے لیے پر امید ہے۔ اس کی زیادہ سے زیادہ سطح پر کرشنگ کرنے کے لئے پر امید۔

## ڈی آئی ڈی

چونکہ کمپنی بھاری خسارے کے مرحلے میں ہے، اس لیے کسی ڈیویڈنڈ کا اعلان نہیں کیا جا رہا ہے۔

## آڈیٹرز

موجودہ آڈیٹرز M/s قدیر اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو رہے ہیں اور اہل ہیں، نے خود کو آئندہ سال کے لیے دوبارہ تقرری کے لیے پیش کیا ہے۔ آٹھ کمیٹی نے میسرز قدیر اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو 30 ستمبر 2024 کو ختم ہونے والے سال کے لیے کمپنی کے آڈیٹرز کے طور پر دوبارہ تعینات کرنے کی سفارش کی ہے۔

## کوڈ آف کارپوریٹ گورننس

کمپنی نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تقاضوں کی مکمل تعمیل کی ہے۔ رپورٹ کے متعلقہ حصے کے تحت تعمیل کا بیان فراہم کیا گیا ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک پر بیان:



مندرجہ ذیل بیانات کارپوریٹ گورننس کے کوڈ کے بہترین طریقوں کی تعمیل کے تئیں اس کے عزم کا مظہر ہیں:-

- کمپنی کی انتظامیہ کے ذریعہ تیار کردہ مالیاتی بیانات، اس کی حالت، اس کے کاموں کے نتائج، نقد بہاؤ اور ایکویٹی میں ہونے والی تبدیلیوں کو کافی حد تک پیش کرتے ہیں۔
- حساب کتاب کی مناسب دیکھ بھال کی گئی ہے۔
- مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے۔ اکاؤنٹنگ تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہوتے ہیں۔
- بین الاقوامی اکاؤنٹنگ اسٹینڈرڈز، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالیاتی گوشواروں کی تیاری میں پیروی کی گئی ہے اور وہاں سے روانگی، اگر کوئی ہے، مناسب طور پر ظاہر کی گئی ہے۔
- اندرونی کنٹرول کا نظام ڈیزائن کے لحاظ سے درست ہے اور انتظامیہ کی طرف سے مؤثر طریقے سے نافذ کیا گیا ہے اور اندرونی اور بیرونی آڈیٹرز کے ساتھ ساتھ آڈٹ کمیٹی کی طرف سے نگرانی کی گئی ہے۔ بورڈ آف ڈائریکٹرز کے ذریعے قائم کردہ اندرونی کنٹرول کی تاثیر کا جائزہ لیتا ہے اور جہاں بھی ضرورت ہو، اندرونی کنٹرول کے نظام میں مزید بہتری لاتا ہے۔
- جاری تشویش کے طور پر جاری رکھنے کی کمپنی کی صلاحیت پر کوئی شک نہیں ہے۔ کمپنی کے پاس مستقبل قریب میں کام جاری رکھنے کے لیے کافی وسائل ہیں۔
- فہرست سازی کے ضوابط میں تفصیل کے مطابق کارپوریٹ گورننس کے بہترین طرز عمل سے کوئی مادی اخراج نہیں ہوا ہے۔
- پچھلے چھ سالوں کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا، خلاصہ شکل میں، منسلک ہے۔
- بقایا ٹیکسوں اور دیگر سرکاری محصولات کے بارے میں معلومات اکاؤنٹس کو متعلقہ نوٹ (نوٹوں) میں دی گئی ہیں۔
- کمپنی حفاظتی قواعد و ضوابط کے معیار کی سختی سے تعمیل کرتی ہے۔ یہ ماحول دوست پالیسیوں پر بھی عمل پیرا ہے۔
- زیر نظر سال کے دوران بورڈ آف ڈائریکٹرز کے چار (04) اجلاس منعقد ہوئے۔ ہر ڈائریکٹر کی حاضری حسب ذیل ہے:

#Sr	ڈائریکٹرز کے نام	حاضری
-1	جناب رضا مصطفیٰ	04
.2	مسٹر عبداللہ (سی ای او)	03
.3	میاں وقاص ریاض	04
.4	محترمہ زینب وقاص	04
-5	مسز شہزادی الیاس	04
-6	مسز نکیمہ الیاس	04
-7	مسز یاسمین ریاض	04
.8	مس اقصیٰ ریاض	04

- ضابطہ اخلاق اور کاروباری طرز عمل کا بیان تیار کیا گیا ہے اور کمپنی کے ڈائریکٹرز اور ملازمین نے اس کے اعتراف میں دستخط کیے ہیں۔



- بورڈ نے کوڈ آف کارپوریٹ گورننس کی تعمیل میں ایک آڈٹ کمیٹی تشکیل دی ہے۔ یہ مندرجہ ذیل تین (3) اراکین پر مشتمل ہے جو غیر ایگزیکٹو ڈائریکٹرز ہیں؛

نمبر نمبر	عہدہ
1.	چئرمین
2.	میاں وقاص ریاض
3.	مسز ذکیہ الیاس
	مسز یاسمین ریاض

- 30 ستمبر 2023 تک شیئر ہولڈنگ کے پیٹرن اور اضافی معلومات کا بیان منسلک ہے۔
  - زیر نظر سال کے دوران، بورڈ آف ڈائریکٹرز، چیف فنانشل آفیسر، کمپنی سیکرٹری، ان کی شریک حیات اور نابالغ بچوں کے علاوہ کسی بھی شیئرز کا سودا نہیں کیا گیا سوائے ذیل میں دیا گیا:
- ڈائریکٹرز کے نام: مسٹر عبداللہ الیاس نے اپریل 2023 میں 839,000 شیئرز خریدے۔

- سرمایہ کاری یا فنڈز کی انویسٹمنٹ، اہم پالیسیوں میں تبدیلیوں اور مجموعی کارپوریٹ حکمت عملیوں، تقرری، معاوضے اور چیف ایگزیکٹو آفیسر اور ایگزیکٹو ڈائریکٹرز کی تقرری کی شرائط و ضوابط سے متعلق تمام اہم فیصلے بورڈ آف ڈائریکٹرز کے پاس ہیں۔

اعتراف:

بورڈ گنے کے کاشتکاروں، قیمتی صارفین، حکومت کے ریگولیٹری محکموں، مالیاتی ادارے کی تہ دل سے تعریف کرتا ہے اور معزز شیئر ہولڈرز کی مسلسل دلچسپی اور تعاون کو تسلیم کرتا ہے اور ان کے اعتماد اور اعتماد کے لیے بے حد مشکور ہے۔

ڈائریکٹرز لگن، وفاداری کی محنت اور کمپنی کے مختلف ٹویژنز میں ایگزیکٹوز، تمام ملازمین اور ورکرز کی جانب سے پیش کی جانے والی قابل تعریف خدمات کی دل کی گہرائیوں سے تعریف کرتے ہیں جو ہمیں نئے جوش کے ساتھ اپنے کارپوریٹ مقاصد کو حاصل کرنے کے قابل بناتے ہیں۔

بورڈ کی جانب سے

(عبداللہ الیاس)  
چیف ایگزیکٹو

لاہور

08 جنوری 2024



## SIX YEARS AT A GALANCE

	2023	2022	2021	2020	2019	2018
<b>Operating Results</b>	<b>Rupees in Thousand</b>					
Sales – Net	-	-	-	-	-	250,773
Gross profit/ (loss)	(305,040)	(150,782)	(160,043)	(164,405)	(187,476)	(340,215)
Operating profit/(loss)	(352,711.0)	(30,020)	(171,620)	(180,649)	(210,609)	(396,701)
Profit/(loss) before tax	(477,936.0)	(214,710)	(339,340)	(411,016)	(427,307)	(542,426)
Profit/(loss) after tax	(466,345.0)	(184,955)	(308,817)	(362,123)	(336,997)	(488,902)

## FINANCIAL POSITION

Fixed assets – net	6,152,109	2,827,514	2,976,625	3,135,643	3,304,259	3,483,247
Paid up capital	324,000	324,000	324,000	324,000	324,000	324,000
Shareholder's equity	(766,179)	(1,489,546)	(1,593,470)	(1,284,865)	(922,841)	(597,829)
Long term liabilities	1,426,794	534,670	564,480	595,026	1,052,118	1,286,275
Current assets	107,409	101,853	106,831	119,835	142,836	189,585
Current liabilities	4,067,036	3,884,732	4,112,937	3,945,318	3,317,819	2,984,876
Breakup value per share (Rs)	(14.39)	(5.71)	(9.53)	(11.18)	(10.40)	(15.09)

## STATISTICS

No. of employees	85	28	29	22	54	229
Sugar produced (M. Tons)	-	-	-	-	-	5,808
Crushing period (days)	-	-	-	-	-	35



## HASEEB WAQAS SUGAR MILLS LIMITED

### CATEGORIES OF SHAREHOLDERS AS AT 30 SEPTEMBER 2023

	Shares held	%
<b>Directors, CEO and their spouse and Minor Children</b>		
1 Mian Waqas Riaz	768,250	2.371
2 Abdullah Ilyas	3,826,500	11.810
3 Miss Aqsa Riaz	500	0.002
4 Mrs. Zainab Waqas	333,500	1.029
5 Mrs. Yasmeen Riaz	1,305,750	4.030
6 Mr. Raza Mustafa	500	0.002
7 Mrs. Shahzadi Ilyas	2,404,100	7.420
8 Mrs. Zakia Ilyas	10,382	0.032
	<b>8,649,482</b>	<b>26.696</b>
<b>Public Sector Companies and Corporation</b>		
<b>Joint Stock Companies</b>		
1 Maple Leaf Capital Limited	1	0.000
2 Topline Securities Limited	1	0.000
3 S.H. Bukhari Securities (Pvt.) Limited	400	0.001
4 Sarfaraz Mahmood (Pvt.) Limited	500	0.002
5 Y.S. Securities (Pvt.) Limited	1,000	0.003
6 High Land Securities (Pvt.) Limited	3,000	0.009
7 NCC - Pre Settlement Delivery Account	3,000	0.009
8 Telesys Tech (Pvt) Limited	3,121	0.010
9 Mileage (Pvt.) Limited	7,500	0.023
10 Zafar Securities (Pvt) Limited	10,000	0.031
11 Apex Financial Services (Pvt.) Limited	15,000	0.046
12 Abdullah Sugar Mills Limited	2,900,500	8.952
	<b>2,944,023</b>	<b>9.086</b>
<b>Banks, Developments Finance Institutions, Non Banking Finance Institutions</b>		
1 Bank Alfalah Limited Lahore Stock Exchange Branch	800	0.002
2 The Bank of Punjab	6,700	0.021
3 Trust Leasing Corporation	9,700	0.030
	<b>17,200</b>	<b>0.053</b>
<b>Insurance Companies</b>		
1 Shaheen Insurance Company Limited	119	0.000
2 State Life Insurance Corp.	200	0.001
3 State Life Insurance Corp. of Pakistan	617,600	1.906
	<b>617,919</b>	<b>1.907</b>
<b>Modaraba Companies</b>		
1 Trust Modaraba	100	0.000
2 First Punjab Modaraba	600	0.002
3 First Punjab Modaraba	1,400	0.004
4 Trust Modaraba	5,600	0.017
	<b>7,700</b>	<b>0.024</b>
<b>Others</b>		
1 Hong Kong Bank International	200	0.001
2 Deutsche Bank Securities Corp.	600	0.002
3 Morgan Stanly Trust Company	14,900	0.046
4 James Capel & Co.	22,800	0.070
	<b>38,500</b>	<b>0.119</b>
<b>General Public (Foreign)</b>		
	3,000	0.009
	<b>3,000</b>	<b>0.009</b>
<b>General Public Local</b>		
	20,122,176	62.105
	<b>20,122,176</b>	<b>62.105</b>
<b>TOTAL</b>	<b>32,400,000</b>	<b>100.000</b>
<b>Shareholders holding 05% or more voting interest in the Company</b>		
1 Mian Muhammad Ilyas Miraj	4,566,500	14.09
2 Abdullah Sugar Mills Limited	2,900,500	8.95
3 Mrs. Shahzadi Ilyas	2,404,100	7.42
4 Mian Abdullah Ilyas	3,826,500	11.810
5 Mian Haseeb Ilyas	2,213,500	6.83
	<b>15,911,100</b>	<b>49.11</b>



# HASEEB WAQAS SUGAR MILLS LIMITED

Pattern of Shareholding for Haseeb Waqas Sugar Mills Limited

Page 1 of 2

As on:- 30-Sep-2023

(Complete)

Number of ShareHolders	Shareholdings From	To	Total Number of Share Held	Percentage of Total Capital
214	1 -	100	8,924	0.03
401	101 -	500	182,883	0.56
217	501 -	1000	208,975	0.64
296	1001 -	5000	798,989	2.47
81	5001 -	10000	679,100	2.10
34	10001 -	15000	441,282	1.36
17	15001 -	20000	321,500	0.99
11	20001 -	25000	260,800	0.80
9	25001 -	30000	250,597	0.77
5	30001 -	35000	166,000	0.51
4	40001 -	45000	170,000	0.52
3	45001 -	50000	148,500	0.46
2	50001 -	55000	104,500	0.32
3	55001 -	60000	178,000	0.55
1	60001 -	65000	62,500	0.19
1	65001 -	70000	67,500	0.21
1	70001 -	75000	75,000	0.23
2	75001 -	80000	159,500	0.49
1	80001 -	85000	82,286	0.25
2	85001 -	90000	180,000	0.56
5	95001 -	100000	497,000	1.53
1	120001 -	125000	125,000	0.39
1	125001 -	130000	130,000	0.40
1	140001 -	145000	142,000	0.44
1	145001 -	150000	148,000	0.46
1	175001 -	180000	179,000	0.55
1	190001 -	195000	192,500	0.59
1	195001 -	200000	200,000	0.62
2	210001 -	215000	424,250	1.31
1	250001 -	255000	250,500	0.77
2	270001 -	275000	549,000	1.69
1	275001 -	280000	278,000	0.86
1	280001 -	285000	283,000	0.87
1	295001 -	300000	300,000	0.93
1	305001 -	310000	305,714	0.94



## Pattern of Shareholding for Haseeb Waqas Sugar Mills Limited

Page 2 of 2

As on:- 30-Sep-2023

(Complete)

Number of ShareHolders	Shareholdings From	To	Total Number of Share Held	Percentage of Total Capital
1	325001 -	330000	329,000	1.02
1	330001 -	335000	333,500	1.03
1	615001 -	620000	617,600	1.91
1	765001 -	770000	768,250	2.37
1	770001 -	775000	773,000	2.39
1	835001 -	840000	840,000	2.59
1	915001 -	920000	917,500	2.83
1	925001 -	930000	926,500	2.86
1	1020001 -	1025000	1,022,750	3.16
1	1125001	1130000	1,129,500	3.49
1	1260001 -	1265000	1,262,500	3.90
1	2210001 -	2215000	2,213,500	6.83
-----1	2400001 -	2405000	-----2,404,100	-----7.42
-----1	2840001 -	2845000	-----2,844,500	-----8.78
1	2900001 -	2905000	2,900,500	8.95
1	4565001 -	4570000	4,566,500	14.09
<b>1,342</b>			<b>32,400,000</b>	<b>100.00</b>





## Haseeb Waqas Sugar Mills Limited

Page #:1 of 1

### Categories of Share Holders

As on: September 30, 2023

P Date:02-Jan-2024

S Type:Complete

Ser #	Code	Category	No. of Shareholder	Shares Held	Percentage of Total Capital
1	2	Financial Institutions	3	17,200	0.0531
2	4	Joint Stock Companies	12	2,944,023	9.0865
3	5	Insurance Companies	3	617,919	1.9072
4	6	Modarabas	4	7,700	0.0238
5	22	General Public (Local)	1,314	28,771,658	88.8014
6	23	General Public (Foreign)	2	3,000	0.0093
7	24	Others	4	38,500	0.1188

<b>TOTAL:</b>	<b>1,342</b>	<b>32,400,000</b>	<b>100.0000</b>
---------------	--------------	-------------------	-----------------



# HASEEB WAQAS SUGAR MILLS LIMITED

## Haseeb Waqas Sugar Mills Limited

P Date:02/01/2024

### Categories Detail

Page #:1 of 2

As on:September 30, 2023.

S Type:Complete

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

### Catagory

#### Financial Institutions

1	CDC-308	BANK ALFALAH LIMITED - LAHORE STOCK EXCHANGE BRANC	800	0.0025
2	802	THE BANK OF PUNJAB	6,700	0.0207
3	805	TRUST LEASING CORPORATION	9,700	0.0299

<b>Running Total</b>	<b>Financial Institutions</b>	<b>17,200</b>	<b>0.0531</b>
----------------------	-------------------------------	---------------	---------------

#### Joint Stock Companies

1	CDC-753	TOPLINE SECURITIES LIMITED	1	0.0000
2	CDC-358	MAPLE LEAF CAPITAL LIMITED	1	0.0000
3	CDC-307	S.H. BUKHARI SECURITIES (PVT) LIMITED	400	0.0012
4	CDC-340	SARFRAZ MAHMOOD (PRIVATE) LTD	500	0.0015
5	CDC-169	Y.S. SECURITIES & SERVICES (PVT) LTD.	1,000	0.0031
6	CDC-933	HIGH LAND SECURITIES (PRIVATE) LIMITED	3,000	0.0093
7	CDC-578	NCC - PRE SETTLEMENT DELIVERY ACCOUNT	3,000	0.0093
8	CDC-109	TELE SYS TECH (PRIVATE) LIMITED	3,121	0.0096
9	CDC-345	MILEAGE (PVT) LTD	7,500	0.0231
10	CDC-193	ZAFAR SECURITIES (PVT) LTD.	10,000	0.0309
11	CDC-159	APEX FINANCIAL SERVICES (PVT.) LIMITED	15,000	0.0463
12	CDC-330	ABDULLAH SUGAR MILLS LIMITED	2,900,500	8.9522

<b>Running Total</b>	<b>Joint Stock Companies</b>	<b>2,944,023</b>	<b>9.0865</b>
----------------------	------------------------------	------------------	---------------

#### Insurance Companies

1	CDC-89	SHAHEEN INSURANCE COMPANY LIMITED	119	0.0004
2	5920	STATE LIFE INSURANCE CORP.	200	0.0006
3	CDC-160	STATE LIFE INSURANCE CORP. OF PAKISTAN	617,600	1.9062

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

#### Modarabas

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

<b>Running Total</b>	<b>Modarabas</b>	<b>7,700</b>	<b>0.0238</b>
----------------------	------------------	--------------	---------------

#### General Public (Local)

<b>Running Total</b>	<b>General Public (Local)</b>	<b>28,771,658</b>	<b>88.8014</b>
----------------------	-------------------------------	-------------------	----------------



## STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019)

### HASEEB WAQAS SUGAR MILLS LIMITED FOR THE YEAR ENDED 30 SEPTEMBER 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	03
b.	Female	05
2.	The composition of Board is as follows:	
a.	Independent Director	Mr. Raza Mustafa Mian Waqas Riaz
b.	Executive Director	Mr. Abdullah Ilyas
c.	Non-Executive Directors	Mrs. Yasmin Riaz Mrs. Shahzadi Ilyas Mrs. Zainab Waqas Mrs. Zakia Ilyas Miss. Aqsa Riaz
3.	The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).	
4.	The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.	
5.	The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.	
6.	All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by board/shareholders as empowered by the relevant provisions of the Act and these Regulations.	
7.	The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.	



8.	The Board of Directors has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.	
9.	The Board did not arrange any Director's program during the year. On overall basis, our directors taken as a whole are compliant as of 30 September 2023 with the requirements of the Director's Training Program contained in the regulations. The Board unable to arranged Directors Training Program for our Director Mr. Abdullah Ilyas and Miss. Aqsa Riaz.	
10.	The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations, except for the minimum experience requirement of the CFO, Regulation 23 (a) requires the CFO to have at least three years of managerial experience in fields of audit or accounting or is managing financial or corporate functions of a company and is a member of Institute of Chartered Accountants of Pakistan or Institute of Cost and Management Accountants of Pakistan. The Board is in process of complying with the requirements of the Regulations.	
11.	CFO and CEO duly endorsed the financial statements before approval of the Board.	
12.	The Board has formed committee comprising of members given below:	
a.	Audit Committee	Mian Waqas Riaz (Chairman) Mrs. Zakia Ilyas (Member) Mrs. Yasmin Riaz (Member)
b.	HR and Remuneration Committee	Mian Waqas Riaz (Chairman) Mrs. Zainab Waqas (Member) Mrs. Zakia Ilyas (Member)
c.	Risk Management Committee	Mr. Raza Mustafa (Chairman) Mrs. Yasmin Riaz (Member)
d.	Nomination Committee	Mrs. Yasmin Riaz (Chairperson) Mrs. Zainab Waqas (Member)
	Regulation 28 (1){c} requires the Board to satisfy itself such that at least one member of the audit committee qualifies as financially literate. The Board will comply with aforementioned regulation upon-re-constitution of the Board after expiry of the current term.	
13.	The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.	
14.	The frequency of meetings (quarterly/half yearly/yearly) of the committee were as following:	
a.	Audit Committee	04
b.	HR and Remuneration Committee	02
c.	Nomination Committee	01
d.	Risk Management Committee	01



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

## On behalf of the Board

**Abdullah Ilyas**  
Chief Executive

**Raza Mustafa**  
Chairman

Place: Lahore

Dated: 08 January 2024



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

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

We were engaged to review the enclosed Statement of Compliance with the listed companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Haseeb Waqas Sugar Mills Limited (the Company) for the year ended September 30, 2023 in accordance with the requirements of regulations 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 requirements to the extent of the approval of the related party transactions by Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

No information for the purpose of review was provided to us, accordingly, we do not express our conclusion as to whether the Statement of Compliance appropriately reflects the Company's compliance in all material respects, with the requirements contained in the Regulations as applicable to the Company for year ended September 30, 2023.

**LAHORE**

**DATE:** February 22, 2024

**UDIN:** CR202310706x4p3YdGvj

  
**QADEER AND COMPANY**  
**CHARTERED ACCOUNTANTS**

**ENGAGEMENT PARTNER**  
**TAHIR RAZZAQUE KHAN**



**Head Office:** 32-A, Lawrence Road, Lahore. Ph: +92 42 36373451-52-53

**E-mail:** qadeerco@brain.net.pk

**Branch Office:** Office # 503, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.

**Off:** +92-51-2894591-3 E-mail: trko@hotmail.com



## INDEPENDENT AUDITOR'S REPORT

To the members of HASEEB WAQAS SUGAR MILLS LIMITED

Report on the Audit of the Financial Statements

### Qualified Opinion

We have audited the annexed financial statements of **HASEEB WAQAS SUGAR MILLS LIMITED** ("the Company"), which comprise the statements of financial position as at September 30, 2023, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, 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, because of the significance of the matter discussed in the '*Basis for Qualified Opinion*' section of our report, the statement of financial position, statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at September 30, 2023 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

### Basis for Qualified Opinion

- a) Gratuity payable amounting to Rs. 17.728 million as stated in Note 8 to these financial statements. We had not been provided with the actuarial valuation by the management. Further, we have not been provided with the information and explanations to assess whether any actuarial adjustments in value should be recognized in respect of above mentioned gratuity payable amount. There are no other satisfactory audit procedures that we could adopt to determine whether any adjustments in value should be made in the financial statements in respect of the gratuity. Any adjustment found to be necessary might have consequential effects on the net assets of the Company as at September 30, 2023, and the related disclosures thereof in the financial statements.

**Head Office:** 32-A, Lawrence Road, Lahore. Ph: +92 42 36373451-52-53

E-mail: qadeerco@brain.net.pk

**Branch Office:** Office # 503, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.

Off: +92-51-2894591-3 E-mail: trko@hotmail.com



- b) The Sales tax status of the Company has been blacklisted by the Federal Board of Revenue due to non-payment of the outstanding net liability of Rs. 199.819 million as mentioned in Note 10 and 14.2 of the financial statements.
- c) As disclosed in Note 11 & 13, balance payable to various banks in respect of current portion of long-term loans and lease liabilities amounting to Rs. 1,367.188 million, and markup on loans and other payables amounting to Rs. 1,183.696 million respectively, remains unpaid and unconfirmed. All the balances payable are in litigation. We were also unable to satisfy ourselves as to the correctness and the terms and conditions of the reported balances by performing other alternate audit procedures.
- d) All the trade and other payables as mentioned in Note 10 to the financial statements includes old outstanding balances. We could not verify the liability through direct confirmations or by applying alternate audit procedures. The effect of adjustment, had the liability been verified, could not be determined;
- e) Unclaimed dividend amounting to Rs. 1.444 million as disclosed in Note 14.4 to the financial statements relating to previous years has not been deposited into the government treasury as per the requirements of the Section 244 of the Companies Act, 2017. Further, no notification has been issued to the shareholders of the Company in this regard.
- f) All the advances, deposits, prepayments and other receivables of Rs. 44.127 million, as mentioned in note 19 to the financial statements are long outstanding. We have not received direct confirmations of balances. Majority of these balances in our opinion are impaired against which no provision has been charged. However, the actual effect of adjustment, had the provision been charged, could not be determined.

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 qualified opinion.

**Head Office:** 32-A, Lawrence Road, Lahore. Ph: +92 42 36373451-52-53

E-mail: qadeerco@brain.net.pk

**Branch Office:** Office # 503, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.

Off: +92-51-2894591-3 E-mail: trko@hotmail.com





### Material Uncertainty Related to Going Concern

We draw attention to Note 2.4 in the financial statements, which indicates that the Company incurred a gross loss of Rs. 305.040 million during the year ended September 30, 2023 and, as of that date, its accumulated loss of Rs. 5,496.427 million and its current liabilities exceeded its current assets by Rs. 3,959.627 million. As stated in Note 2.4, these events or conditions, along with other matters as set forth in Note 2.4, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified 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 period. 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 matters.

In addition to the matters described in the 'Basis for Qualified Opinion' and 'Material Uncertainty Related to Going Concern' section of our report, we have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1.	<b>Revaluation of Property, Plant and Equipment:</b>	
	(Refer note 15.03 to the financial statements.)  Company has recorded its land, building and machinery at revalued amounts.  We identified Revaluation of property, plant and equipment as a Key Audit Matter because its amount is material to the financial statements. In addition, process of valuation is a highly complex and judgmental process which involves assumptions and methods	Our procedures to assess the revaluation of property, plant and equipment, amongst others, include the followings: <ul style="list-style-type: none"><li>▪ Assessed competence, capability and objectivity of expert.</li><li>▪ Obtained revaluation report from valuer, checked the appropriateness of assumptions and methodologies used.</li><li>▪ Checked relevance, completeness and accuracy of source data.</li></ul>

Head Office: 32-A, Lawrence Road, Lahore. Ph: +92 42 36373451-52-53

E-mail: qadeerco@brain.net.pk

Branch Office: Office # 503, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.

Off: +92-51-2894591-3 E-mail: trko@hotmail.com



	affected by future economic and market conditions.	<ul style="list-style-type: none"><li>Ensured that revaluation is properly accounted for and disclosed in financial statements.</li></ul>
<b>2.</b>	<b>Deferred Tax:</b>	
	<p>(Refer note 9 to the financial statements.)</p> <p>Company has recognized deferred tax liability amounting Rs. 1,409.065 million.</p> <p>We identified Deferred Tax as a Key Audit Matter because its amount is material and assessment process is a highly complex and judgmental which involves assumptions and methods affected by future economic and market conditions.</p>	<p>Our procedures to assess the deferred tax liability, amongst others, include the followings:</p> <ul style="list-style-type: none"><li>Performed substantive procedures on calculation of deferred tax balances, based on tax regulations.</li><li>Examine the assumptions and estimates used in determining the deferred tax liabilities. This may include forecasts of future taxable income, expected future tax rates, and the timing of when tax obligations will be incurred.</li><li>Used an internal tax specialist to support us in these procedures.</li><li>Assessed the adequacy of disclosures related to deferred tax in notes to the accounts.</li></ul>
<b>3.</b>	<b>Contingencies:</b>	
	<p>(Refer note 14.1 and 14.2 to the financial statements.)</p> <p>Company has a number of tax and other contingencies.</p> <p>We identified contingencies as a Key Audit Matter because of significance of amounts involved, and judgments</p>	<p>Our procedures to assess the tax contingencies, amongst others, include the followings:</p> <ul style="list-style-type: none"><li>We circularized confirmation to company's external tax consultants and legal advisor, and obtained their direct replies;</li></ul>

**Head Office:** 32-A, Lawrence Road, Lahore. Ph: +92 42 36373451-52-53

E-mail: qadeerco@brain.net.pk

**Branch Office:** Office # 503, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.

Off: +92-51-2894591-3 E-mail: trko@hotmail.com



	involved to assess the outcome of tax and other litigations.	<ul style="list-style-type: none"><li>▪ We used our own tax expert to consider the level of provision required considering nature of case, legal precedents, and company's correspondence with the tax authorities;</li><li>▪ We analyzed significant changes from prior period;</li><li>▪ Assessed the adequacy of disclosures related to tax contingencies in notes to the accounts.</li></ul>
--	--	--

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

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

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

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

**Head Office:** 32-A, Lawrence Road, Lahore. Ph: +92 42 36373451-52-53

E-mail: qadeerco@brain.net.pk

**Branch Office:** Office # 503, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.

Off: +92-51-2894591-3 E-mail: trko@hotmail.com



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

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

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

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

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

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

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

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

**Head Office:** 32-A, Lawrence Road, Lahore. Ph: +92 42 36373451-52-53

E-mail: qadeerco@brain.net.pk

**Branch Office:** Office # 503, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.

Off: +92-51-2894591-3 E-mail: trko@hotmail.com



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

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

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

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

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

Based on our audit, except for the matters described in the 'Basis for Qualified Opinion' section, 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 other comprehensive income, the statement of changes in equity and the statement of cash flows

**Head Office:** 32-A, Lawrence Road, Lahore. Ph: +92 42 36373451-52-53

E-mail: qadeerco@brain.net.pk

**Branch Office:** Office # 503, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.

Off: +92-51-2894591-3 E-mail: trko@hotmail.com



**QADEER & COMPANY**  
CHARTERED ACCOUNTANTS

together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is **Tahir Razzaque Khan**.

Date: February 22, 2024  
UDIN: AR202310706NMrZXIEWV

  
QADEER AND COMPANY  
CHARTERED ACCOUNTANTS  
LAHORE





**HASEEB WAQAS SUGAR MILLS LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**



**HASEEB WAQAS SUGAR MILLS LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2023**

<b>EQUITY AND LIABILITIES</b>		<u>2023</u>	<u>2022</u>
	<u>Note</u>	<u>Rupees</u>	
<b>Share Capital and Reserves</b>			
Authorized capital			
35,000,000 (2022: 35,000,000) ordinary shares of Rs. 10 each		<b>350,000,000</b>	350,000,000
Issued, subscribed and paid up capital	4	<b>324,000,000</b>	324,000,000
Loan from directors and sponsors	5	<b>1,225,190,739</b>	1,130,821,739
<b>Capital Reserves</b>			
Surplus on revaluation of property, plant and equipment	6	<b>4,713,414,891</b>	1,262,648,855
<b>Revenue reserves</b>			
Accumulated profit/(loss)		<b>(5,496,427,007)</b>	(4,207,016,723)
		<b>766,178,623</b>	(1,489,546,129)
<b>Non Current Liabilities</b>			
Long term financing	7	-	-
Deferred liabilities	8	<b>17,727,972</b>	17,727,972
Deferred taxation	9	<b>1,409,065,523</b>	516,942,121
		<b>1,426,793,495</b>	534,670,093
<b>Current Liabilities</b>			
Trade and other payables	10	<b>841,461,866</b>	800,883,054
Markup on loans and other payables	11	<b>1,183,695,578</b>	1,058,817,812
Short term borrowings	12	<b>673,246,932</b>	656,399,886
Unclaimed dividend		<b>1,443,972</b>	1,443,972
Current portion of non current liabilities	13	<b>1,367,187,642</b>	1,367,187,642
		<b>4,067,035,990</b>	3,884,732,366
<b>Contingencies and Commitments</b>	14	-	-
		<b>6,260,008,108</b>	2,929,856,330
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	15	<b>6,152,109,232</b>	2,827,513,789
Long term deposits	16	<b>490,000</b>	490,000
		<b>6,152,599,232</b>	2,828,003,789
<b>Current Assets</b>			
Stores, spares and loose tools	17	<b>61,310,234</b>	55,892,796
Stock in trade	18	-	-
Advances, deposits, prepayments and other receivables	19	<b>44,126,807</b>	43,524,421
Cash and bank balances	20	<b>1,971,835</b>	2,435,324
		<b>107,408,876</b>	101,852,541
		<b>6,260,008,108</b>	2,929,856,330

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

  
CHIEF EXECUTIVE

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER





HASEEB WAQAS SUGAR MILLS LIMITED  
STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

		2023	2022
	Note	Rupees	
Sales - Net	21	-	-
Cost of goods sold	22	(305,039,590)	(150,781,542)
<b>Gross (loss)</b>		<b>(305,039,590)</b>	<b>(150,781,542)</b>
Operating expenses:			
- Administrative and general expenses	23	(47,471,601)	(16,226,733)
- Other operating charges	24	(200,000)	(200,000)
- Other income	25	-	137,188,002
<b>Loss from operations</b>		<b>(352,711,191)</b>	<b>(30,020,273)</b>
Finance cost	26	(125,224,606)	(184,689,757)
<b>Loss before taxation</b>		<b>(477,935,797)</b>	<b>(214,710,030)</b>
Taxation	27	11,590,975	29,755,452
<b>Loss after taxation</b>		<b>(466,344,822)</b>	<b>(184,954,578)</b>
<b>Earning per share - basic</b>	28	<b>(14.39)</b>	<b>(5.71)</b>

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED  
STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	2023	2022
Note	Rupees	
(Loss) after taxation	(466,344,822)	(184,954,578)
Other comprehensive income		
Impact of deferred tax on revaluation surplus	(903,714,377)	-
	(903,714,377)	-
Total comprehensive loss for the year	(1,370,059,199)	(184,954,578)

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



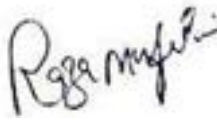
# HASEEB WAQAS SUGAR MILLS LIMITED

## HASEEB WAQAS SUGAR MILLS LIMITED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Issued, subscribed and paid up capital	Loan from directors	Surplus on Revaluation of Property, Plant & equipment	Accumulated (loss) / profit	Total
	R u p e e s				
<b>Balance as at October 01, 2021</b>	324,000,000	841,942,639	1,323,260,805	(4,082,674,095)	(1,593,470,651)
Net (loss) for the year ended September 30, 2022	-	-	-	(184,954,578)	(184,954,578)
Other comprehensive income / (loss) for the year	-	-	-	-	-
	-	-	-	(184,954,578)	(184,954,578)
<b>Transaction with owners:</b>					
Increase in directors' loan during the year	-	288,879,100	-	-	288,879,100
Surplus on revaluation of fixed assets transferred to retained earnings in respect of incremental depreciation - net of tax	-	-	(60,611,950)	60,611,950	-
<b>Balance as at October 01, 2022</b>	<b>324,000,000</b>	<b>1,130,821,739</b>	<b>1,262,648,855</b>	<b>(4,207,016,723)</b>	<b>(1,489,546,129)</b>
Net (loss) for the year ended September 30, 2023	-	-	-	(466,344,822)	(466,344,822)
Other comprehensive income / (loss) for the year	-	-	-	(903,714,377)	(903,714,377)
<b>Total comprehensive income/(loss) for the year</b>	-	-	-	<b>(1,370,059,199)</b>	<b>(1,370,059,199)</b>
<b>Transaction with owners:</b>					
Increase in sponsors and directors' loan during the year	-	94,369,000	-	-	94,369,000
Revaluation surplus arise during the year	-	-	3,531,414,951	-	3,531,414,951
Surplus on revaluation of fixed assets transferred to retained earnings in respect of incremental depreciation - net of tax	-	-	(80,648,915)	80,648,915	-
<b>Balance as at September 30, 2023</b>	<b>324,000,000</b>	<b>1,225,190,739</b>	<b>4,713,414,891</b>	<b>(5,496,427,007)</b>	<b>766,178,623</b>

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

  
CHIEF EXECUTIVE

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER



## HASEEB WAQAS SUGAR MILLS LIMITED

### STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Note	2023	2022
		Rupees	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
(Loss) before taxation		(477,935,797)	(214,710,030)
<b>Adjustments for:</b>			
Depreciation	15.02	206,819,510	149,111,645
Finance cost	26	125,224,606	184,689,757
		332,044,116	333,801,402
<b>Operating profit/(loss) before working capital changes</b>		<b>(145,891,681)</b>	<b>119,091,372</b>
<b>(Increase) / decrease in current assets:</b>			
Stores, spares and loose tools		(5,417,440)	-
Stock in trade		-	-
Advances, deposits, prepayments and other receivables		357,678	5,840,109
<b>Increase / (decrease) in current liabilities:</b>			
Trade and other payables		40,578,812	9,357,267
		35,519,050	15,197,376
<b>Cash generated from operations</b>		<b>(110,372,631)</b>	<b>134,288,748</b>
Income tax paid / deducted		(960,064)	(155,017)
Gratuity paid		-	(54,667)
Finance cost paid		(346,840)	(137,189,485)
<b>Net cash generated from / (used in) operating activities</b>		<b>(111,679,535)</b>	<b>(3,110,421)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Long term deposits		-	-
<b>Net cash generated from / (used in) investing activities</b>		<b>-</b>	<b>-</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds / (Repayment) from directors'/ sponsor loan - Net		94,369,000	288,879,100
Proceeds / (Repayment) of Long Term Loans		-	(285,000,000)
Proceeds / (Repayment) of related parties		16,847,046	(62,877)
<b>Net cash generated from / (used in) financing activities</b>		<b>111,216,046</b>	<b>3,816,223</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>(463,489)</b>	<b>705,802</b>
Cash and cash equivalents at the beginning of the year		2,435,324	1,729,522
<b>Cash and cash equivalents at the end of the year</b>	20	<b>1,971,835</b>	<b>2,435,324</b>

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

  
CHIEF EXECUTIVE

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER



## HASEEB WAQAS SUGAR MILLS LIMITED. NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2023

---

### 1 Corporate and General Operation

#### 1.1 Legal Status and operations

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

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act 2017 and provisions of and directives issued under the Companies Act 2017. Where provisions of and directives issued under the Companies Act 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act 2017 have been followed.

#### 2.2 Accounting convention

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

#### 2.3 Initial application of a standard, amendments or an understanding to an existing standard

##### 2.3.1 Amendments to published accounting and reporting standards which are effective for the year ended September 30, 2023

There were certain amendments to accounting and reporting standards which became effective for the company for the current year. However, these amendments are considered not to be relevant or to have any significant impact on Company's financial reporting and, therefore, have not been disclosed in these financial statements.

#### 2.4 Standards, amendments to published accounting and reporting standards and interpretations that are not yet effective and have not been early adopted by the Company as at September 30, 2023.

There are certain other new standards and amendments to the approved accounting standards that will be mandatory for the Company's annual accounting periods beginning on or after October 1, 2023. However, these standards and amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these financial statements.



## 2.4 Going concern assumption

The financial statements of the Company indicate that the Company incurred gross loss amounting to Rs: 305,039,590 (2022: 150,781,542) and net loss from operations amounting to Rs. 352,711,191 (2022: 30,020,273) and accumulated losses Rs. 5,496,427,007 (2022: 4,207,016,723). Moreover, the current liabilities exceed current assets by Rs. 3,959,627,114 (2022: 3,782,879,825).

### Operational measures

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

- i- Restructuring of loan from Sindh Bank Limited amounting to Rs. 500 million has been renegotiated and rescheduled.
- ii- Restructuring of loan from Silk Bank Limited amounting to Rs. 390 million is in process but not finalized yet.
- iii- Shifting of mill to Alipur Jatoi, Muzaffargarh has been completed where sugar cane availability and sugar recovery are better.
- iv- BMR has been done and we will see impact of this BMR in the financials of coming crushing season.
- v- Directors and sponsors are providing financial aid to the company to overcome financial crisis of the Company.

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

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

	Projected		
	2024	2025	2026
Sugar Cane Crushing M.T	500,000	800,000	810,000
Sugar cane rate	425	425	430
Sugar price per Kg	60	95	95

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

## 2.5 Judgment, estimates and assumptions

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

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

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



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

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

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

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

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

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

## **2.5.4 Taxation**

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

## **2.5.5 Provisions**

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

## **2.5.6 Revaluation of property, plant and equipment**

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

## **2.6 Functional currency**

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

## **3 SIGNIFICANT ACCOUNTING POLICIES**

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

### **3.1 Ordinary share capital**

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

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

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

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



### 3.3 Employee benefits

#### Short-term employee benefits

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

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

#### *Defined benefit plan*

The Company operates an unfunded gratuity scheme covering its permanent employees. Employees are eligible for benefits under this scheme after the completion of a prescribed qualifying period of service. The latest actuarial valuation was carried out as at September 30, 2018. No charge and valuation is made during the year because of ceased operations. The following significant assumptions were used in the latest actuarial valuation:

	<u>2023</u>	<u>2022</u>
Discount rate	0.00%	0.00%
Expected rate of salary increase in future years	0.00%	0.00%
Average expected remaining working life time of employees	-	-
Actuarial valuation method	Projected unit credit method	

### 3.4 Borrowings

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

### 3.5 Provisions

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

### 3.6 Taxation

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

#### *Current*

Curre





## *Deferred*

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

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

### **3.7 Trade and other payables**

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

### **3.8 Trade and other receivables**

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

### **3.9 Property, plant and equipment**

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

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

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

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



### 3.10 Impairment

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

### 3.11 Cash and cash equivalents

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

### 3.12 Stores, spares and loose tools

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

### 3.13 Stock in trade

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

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

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

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

### 3.14 Financial instruments

#### Financial assets

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

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

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

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

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



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

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

### **Financial liabilities**

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit or loss. Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the profit or loss.

### **Off-setting of financial assets and financial liabilities**

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

### **3.15 Related party transactions**

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

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

### **3.16 Revenue recognition**

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

Revenue from different sources is recognized as follows:

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

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

### **3.17 Borrowing costs**

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



### 3.18 Dividends

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

### 3.19 Accounting for finance lease

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

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

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

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

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

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

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

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



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

### **3.20 Earning per share (EPS)**

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

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



4 ISSUED, SUBSCRIBED AND PAID UP CAPITAL		2023	2022
Ordinary shares of Rs. 10 each:	Note	Rupees	
27,000,000 (2022: 27,000,000) shares issued for cash.		270,000,000	270,000,000
5,400,000 (2022: 5,400,000) shares issued as fully paid bonus shares.		54,000,000	54,000,000
		<u>324,000,000</u>	<u>324,000,000</u>

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

5 LOAN FROM DIRECTORS AND SPONSORS		2023	2022
Loan from directors and sponsors		1,225,190,739	1,130,821,739
		<u>1,225,190,739</u>	<u>1,130,821,739</u>

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

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

6 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		2023	2022
As at beginning of the year		1,262,648,855	1,323,260,805
Revaluation surplus during the year		3,531,414,951	-
Revaluation surplus transferred to unappropriated profit on account of Incremental depreciation (net of tax)		(80,648,915)	(60,611,950)
		<u>4,713,414,891</u>	<u>1,262,648,855</u>

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

7 LONG TERM FINANCING		2023	2022
Loan from Banking Companies - secured	7.1	-	-
<b>7.1 Loan from banking companies and other financial institutions - secured</b>			
<b>National Bank of Pakistan</b>			
Demand Finance I	7.1.1	220,000,000	220,000,000
Demand Finance II	7.1.2	160,000,000	160,000,000
<b>Sindh Bank Limited</b>			
Demand Finance	7.1.3	500,000,000	500,000,000
<b>PAIR</b>			
Demand Finance	7.1.4	70,000,000	70,000,000
<b>Silk Bank Ltd</b>			
Demand Finance	7.1.5	390,000,000	390,000,000
		<u>1,340,000,000</u>	<u>1,340,000,000</u>



**Less: current portion shown under current liabilities**

NBP - Demand Finance - I	7.1.1	(220,000,000)	(220,000,000)
NBP - Demand Finance - II	7.1.2	(160,000,000)	(160,000,000)
Sindh Bank - Demand Finance	7.1.3	(500,000,000)	(500,000,000)
Demand Finance - PAIR	7.1.4	(70,000,000)	(70,000,000)
Demand Finance - Silk Bank Ltd	7.1.5	(390,000,000)	(390,000,000)
		<b>(1,340,000,000)</b>	<b>(1,340,000,000)</b>
<b>Non current portion</b>		-	-

- 7.1.1** The finance is secured by 1st PP charge of Rs. 293.334 million on fixed assets of the Company and personal guarantees of sponsoring directors of the Company. It carries markup @ 3 months KIBOR + 2.5% per annum. This loan is payable in ten bi-annual installments ending on 21 March 2020, within a period of 5 years excluding 1 year grace period.
- 7.1.2** The finance is secured by 1st PP charge of Rs. 213.334 million on fixed assets of the Company and personal guarantees of sponsoring directors of the Company. It carries markup @ 3 months KIBOR + 2.5% per annum. This loan is payable in twelve equal quarterly installments ending on 30 September 2018, within a period of 3 years excluding 1 year grace period.
- 7.1.3** This finance has been obtained from Sindh Bank Limited under demand finance arrangement. The finance is secured by ranking charge over all present and future fixed assets of the Company and personal guarantees of directors of the Company. It carries markup @ 3 months KIBOR + 5% per annum. This loan is payable in twelve quarterly installments ending on 09 June 2020.
- 7.1.4** This finance has been obtained from PAIR Investment Company Limited. The finance is secured by parri passu charges over the present and future fixed assets of the Company, with a margin of 33% above the financing amount. Parri passu charge by way of creation of mortgage over the land and building of the Company and personal guarantees of directors of the Company. It carries markup 3 months KIBOR +350 bps per annum. This loan is rescheduled and payable in eighteen monthly installments.
- 7.1.5** This finance has been obtained from Silk Bank Limited under demand finance arrangement. The finance is secured by Pari passu charge over all present and future fixed assets of the Company and corporate guarantee of Abdullah Sugar Mills Limited and personal guarantees of directors of the Company. It carries markup @ 1 Year KIBOR + 2% per annum. This loan is payable in twenty Bi-annually installments ending on 21 February 2025.



## 8 DEFERRED LIABILITIES

Employee retirement benefits	8.01	<u>17,727,972</u>	<u>17,727,972</u>
------------------------------	------	-------------------	-------------------

### 8.01 EMPLOYEES RETIREMENT BENEFITS

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

Present value of defined benefit obligation		<u>17,727,972</u>	<u>17,727,972</u>
---	--	-------------------	-------------------

#### *the Statement of Financial Position liability*

Opening balance		17,727,972	17,782,639
Amount recognized during the year		-	-
Remeasurements		-	-
		<u>17,727,972</u>	<u>17,782,639</u>
Payable to outgoing employees		-	-
Benefits paid during the year		-	(54,667)
Closing balance		<u>17,727,972</u>	<u>17,727,972</u>

#### *Charge for the defined benefit plan*

Service cost		-	-
Interest cost		-	-
		<u>-</u>	<u>-</u>

**8.02** The scheme provides for terminal benefits for all its permanent employees who attain the minimum qualifying period at varying percentages of last drawn basic salary upto the year ended September 30, 2023. The percentage depends on the number of service years with the Company. No provision is made for the current and prior years, since the Company was not operational and it is not financially feasible for the Company to carry out actuarial valuation.

## 9 DEFERRED TAXATION

### Deferred tax liability on taxable temporary differences

Accelerated tax depreciation	70,367,477	81,958,452
Surplus on revaluation of property, plant and equipment	1,477,391,421	573,677,044
Property, plant and equipment	<u>1,547,758,898</u>	<u>655,635,496</u>

### Deferred tax asset on deductible temporary differences

Employees retirement benefits	(11,806,028)	(11,806,028)
Finance lease	(7,884,419)	(7,884,419)
Unused tax losses	(119,002,928)	(119,002,928)
	<u>(138,693,375)</u>	<u>(138,693,375)</u>
	<u>1,409,065,523</u>	<u>516,942,121</u>

Deferred tax assets of Rs. 825 million (2022: 735 million) on deductible temporary differences have not been recognized due to unpredictability of adjustable in future periods.





## 10 TRADE AND OTHER PAYABLES

Trade creditors		216,096,110	187,286,431
Advances from Customers -Unsecured		261,953,957	261,953,957
Accrued liabilities		88,638,233	69,814,103
Sales tax payable		199,819,325	207,527,557
Other payables	10.1	74,954,242	74,301,007
		<u>841,461,866</u>	<u>800,883,054</u>

10.1 Other payables include an amount of Rs. 30,564,611 of penalty imposed by Trading Corporation of Pakistan (TCP). The Company is defending a suit filed by TCP for recovery before Honorable Sindh High Courts, and the case still pending. TCP has requested NAB to take up the case, so case is in NAB now and NAB summoned the authorized representative of the Company and proceedings are in progress.

## 11 MARKUP ON LOANS AND OTHER PAYABLES

Long term financing	11.01	1,162,877,952	1,038,000,186
Finance lease		954,816	954,816
Others	11.02	19,862,810	19,862,810
		<u>1,183,695,578</u>	<u>1,058,817,812</u>

11.01 This includes markup accrued on short term borrowings which was rescheduled as long term.

11.02 This represents markup accrued on return of funds to TCP as disclosed in note 10.1

11.03 As the baml are in litigation and the Management decided not to Charge Markup for the second half year and cost of funds will be charged as per deceion of Court.

## 12 SHORT TERM BORROWINGS

### Loan from related parties

Abdullah Sugar Mills Limited		671,042,868	654,195,822
Haseeb Waqas Trading (Private) Limited		2,204,064	2,204,064
		<u>673,246,932</u>	<u>656,399,886</u>

These are unsecured, interest free and payable on demand of the related parties and for the purpose of working capital of the Company; and be adjusted against sale of goods etc.

## 13 CURRENT PORTION OF NON CURRENT LIABILITIES

Long term financing	7.1	1,340,000,000	1,340,000,000
Finance lease		27,187,642	27,187,642
		<u>1,367,187,642</u>	<u>1,367,187,642</u>

## 14 CONTINGENCIES AND COMMITMENTS

14.1 The collector of Sales Tax And Central Excise (Adjudication) Lahore has issued a show cause notice to the Company for the further tax amounting to Rs. 47 million upto the tax period September 2002 on the grounds that it charged sales tax at the rate of 15 % on its sales to persons liable to be registered.



- 14.2 The Federal Board of Revenue has blacklisted the Sales Tax status of the Company on 8th March 2018 due to non compliance of the Sales Tax Act, 1990 and the rules made thereunder including not discharging of sales tax liability as outstanding in note # 10. However, the Company will further proceed to regularize the sales tax status after starting of crushing.
- 14.3 Company has made defaults in repayment of installments of long term loans from financial institutions and bank. As a result, the Company's name has been included in CIB report of State Bank of Pakistan. The detail of the cases are as:

Sr. #	Name of the Court	Date Instituted	Principal parties	Description of factual basis of the proceedings	Relief sought
1	Lahore High Court	03-May-17	Sindh Bank Limited	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan
2	Lahore High Court	22-Sep-16	National Bank Of Pakistan	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan
3	Lahore High Court	8-Jun-20	Silk Bank Limited	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan
4	Lahore High Court	31-Mar-17	First National Bank Modarba	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan
5	Banking Court	20-Apr-18	PAIR Investment Company Limited	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan

- 14.4 The Company has not complied with the section 244 of Companies Act, 2017 with respect to unclaimed dividend but it is not expected to have any legal consequences.
- 14.5 Pakistan Stock Exchange Limited has placed the Company in Defaulters Segment due to disclaimer of opinion on the annual report of the Company for the year ended September 30, 2019. However, suspension order regarding trading of shares of company has been revoked by the Pakistan Stock Exchange.

#### **Commitments**

No major commitments were outstanding as at September 30, 2023.



<b>16</b>	<b>LONG TERM DEPOSITS</b>	<u><b>490,000</b></u>	<u><b>490,000</b></u>
	These mainly comprise of security deposits with Central Depository Company and Sui Northern Gas Pipeline Limited and other security receivables at factory location.		
<b>17</b>	<b>STORES, SPARES AND LOOSE TOOLS</b>		
	Stores	61,146,837	55,729,399
	Spares	<u>163,397</u>	<u>163,397</u>
		<u><b>61,310,234</b></u>	<u><b>55,892,796</b></u>
<b>17.1</b>	No identifiable store and spare are held for specific capitalization.		
<b>18</b>	<b>STOCK IN TRADE</b>		
	<b>Work in process</b>		
	Sugar	-	-
	Molasses	-	-
		-	-
	<b>Finished goods</b>		
	Sugar	-	-
		-	-
		-	-
		-	-
<b>19</b>	<b>ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES - considered good</b>		
	Advances to employees against purchases	368,562	734,240
	Advances to employees against salary	19.01 882,975	874,975
	Advance income tax	34,162,549	33,202,485
	Deposits	19.02 8,712,721	8,712,721
		<u><b>44,126,807</b></u>	<u><b>43,524,421</b></u>
<b>19.01</b>	These are interest free amounts advanced to staff against future salaries and retirement benefits and are in accordance with the Company policy.		
<b>19.02</b>	These represent interest free unsecured deposit with TCP and will likely be set off against the liability as mentioned in note # 11.1.		
<b>20</b>	<b>CASH AND BANK BALANCES</b>		
	Cash in hand	590,621	681,562
	Cash with banks - in current accounts	<u>1,381,214</u>	<u>1,753,762</u>
		<u><b>1,971,835</b></u>	<u><b>2,435,324</b></u>



## 21 SALES - NET

Sugar - Local	-	-
Molasses	-	-
Mud	-	-
	<u>-</u>	<u>-</u>
Less: Sales tax and federal excise duty	-	-
	<u>-</u>	<u>-</u>

## 22 COST OF GOODS SOLD

Salaries, wages and other benefits	22.01	43,411,963	5,086,638
Repair and maintenance		56,330,979	1,894,172
Treight and Octori		2,030,310	-
Misxellaneous Expenses		928,833	-
Depreciation	15.02	202,337,505	143,800,732
Others		-	-
		<u>305,039,590</u>	<u>150,781,542</u>

Opening work in process	-	-
Closing work in process	-	-

### Cost of goods manufactured

305,039,590      150,781,542

Opening finished goods	-	-
Closing finished goods	-	-

305,039,590      150,781,542

22.01 Salaries and benefits include Rs.Nil (2022: Rs. Nil million) on account of employees' retirement benefits.

## 23 ADMINISTRATIVE AND GENERAL EXPENSES

Salaries, wages and other benefits	23.01	18,182,897	5,346,821
Traveling and conveyance		1,199,356	45,740
Repairs and maintenance		749,580	168,814
Fees and subscription		286,540	258,493
Vehicle running and maintenance		4,280,723	162,440
Printing and stationery		229,832	61,040
Telephone and postage		412,920	30,000
Advertisement		83,632	20,000
Entertainment		2,923,871	52,985
Legal and professional charges		12,687,400	4,655,200
Depreciation	15.02	4,482,005	5,310,913
Miscellaneous		1,952,845	114,287
		<u>47,471,601</u>	<u>16,226,733</u>

23.01 Salaries and benefits include Rs. Nil (2022: Rs. Nil million) on account of employees' retirement benefits.



<b>24</b>	<b>OTHER OPERATING CHARGES</b>		
	<b>Auditors' remuneration</b>		
	Statutory audit	125,000	125,000
	Half year review	30,000	30,000
	Review and certifications	20,000	20,000
	Out of pocket	25,000	25,000
		<u>200,000</u>	<u>200,000</u>
<b>25</b>	<b>OTHER OPERATING INCOME</b>		
	Markup Written off by Bank	-	137,188,002
	Gain on sale of fixed assets	-	-
		<u>-</u>	<u>137,188,002</u>
<b>26</b>	<b>FINANCE COST</b>		
	Interest / mark up expense	124,877,766	184,688,274
	Bank charges and commission	346,840	1,483
		<u>125,224,606</u>	<u>184,689,757</u>
<b>26.01</b>	As the bamls are in litigation and the Management decided not to and cost of funds will be charged as deceion of Court	Charge Markup for the second half year	
<b>27</b>	<b>TAXATION</b>		
	Current tax		
	For the year	-	-
	Prior years	-	-
		-	-
	Deferred tax	(11,590,975)	(29,755,452)
		<u>(11,590,975)</u>	<u>(29,755,452)</u>
<b>27.01</b>	No tax reconciliation between applicable tax rate and average tax rate is shown because the company's current tax liability is Nil during the year.		
<b>28</b>	<b>EARNING PER SHARE - Basic</b>		
	(Loss) after taxation for the year	<b>RUPEES</b>	(466,344,822)
			(184,954,578)
	Outstanding weighted average ordinary shares	<b>NUMBERS</b>	32,400,000
			32,400,000
	Earnings per share - Basic and diluted	<b>RUPEES</b>	(14.39)
			(5.71)
<b>28.1</b>	<b>Diluted earnings per share</b>		
	There is no dilution effect on the basic earnings per share of the Company as the Company has no such commitments.		



## 29 PLANT CAPACITY AND PRODUCTION

### Processed cane

Installed capacity (tons)	1,300,000	1,300,000
Installed capacity (days)	10,000	10,000
Actual crushing (tons)	-	-
Actual crushing (days)	-	-
Actual production (percentage of actual capacity in tons)		

### Sugar

Installed capacity (tons)	117,000	117,000
Installed capacity (days)	900	900
Actual production (tons)	-	-
Actual production (days)	-	-
Actual production (percentage of actual capacity in tons)	-	-
Cane sugar recovery	-	-

## 30 FINANCIAL INSTRUMENTS BY CATEGORY

-As at Statement of Financial Position at amortized cost:

### Financial assets

Long term deposits	490,000	490,000
Advances, deposits and other receivables	8,712,721	8,712,721
Cash and bank balances	1,971,835	2,435,324
	<u>11,174,556</u>	<u>11,638,045</u>

### Financial liabilities

Trade and other payables	379,688,585	331,401,541
Loan from directors and sponsors	1,225,190,739	1,130,821,739
Loan from financial institution	1,367,187,642	1,367,187,642
Accrued interest / mark-up	1,183,695,578	1,058,817,812
Unclaimed dividend	1,443,972	1,443,972
Short term borrowings	673,246,932	656,399,886
	<u>4,830,453,448</u>	<u>4,546,072,592</u>

### 30.01 Fair values of financial assets and liabilities

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

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



## 31 FINANCIAL INSTRUMENTS

### 31.01 Fair value and risk management

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

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

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

Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).

Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).

inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

**31.02** The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. However, fair values are not disclosed as carrying values are reasonable approximation of their net fair value.

On-SOPF financial instruments	Carrying amount			Fair Value				
	Fair Value through Profit or Loss	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
<b>As at 30 September, 2023:</b>								
<b>Financial Assets not measured at fair value</b>								
Advances, deposits, prepayments and other receivables	-	8,712,721	-	8,712,721	-	-	-	-
Long Term Deposits	-	490,000	-	490,000	-	-	-	-
Cash and bank balances	-	1,971,835	-	1,971,835	-	-	-	-
	-	11,174,556	-	11,174,556	-	-	-	-
<b>Financial Liabilities not measured at fair value</b>								
Loan from banking companies	-	-	1,367,187,642	1,367,187,642	-	-	-	-
Trade and other payables	-	-	379,688,585	379,688,585	-	-	-	-
Accrued Markup	-	-	1,183,695,578	1,183,695,578	-	-	-	-
Unclaimed Dividend	-	-	1,443,972	1,443,972	-	-	-	-
Loan from related parties	-	-	673,246,932	673,246,932	-	-	-	-
	-	-	3,605,262,708	3,605,262,708	-	-	-	-
<b>As at 30 September, 2022:</b>								
<b>Financial Assets not measured at fair value</b>								
Advances, deposits, prepayments and other receivables	-	8,712,721	-	8,712,721	-	-	-	-
Long Term Deposits	-	490,000	-	490,000	-	-	-	-
Cash and bank balances	-	2,435,324	-	2,435,324	-	-	-	-
	-	11,638,045	-	11,638,045	-	-	-	-
<b>Financial Liabilities not measured at fair value</b>								
Loan from banking companies	-	-	1,367,187,642	1,367,187,642	-	-	-	-
Trade and other payables	-	-	331,401,541	331,401,541	-	-	-	-
Accrued Markup	-	-	1,058,817,812	1,058,817,812	-	-	-	-
Unclaimed Dividend	-	-	1,443,972	1,443,972	-	-	-	-
Loan from related parties	-	-	656,399,886	656,399,886	-	-	-	-
	-	-	3,415,250,853	3,415,250,853	-	-	-	-



## 31.03 Capital risk management

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

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

	2023	2022
	Rupees	
The gearing ratios were as follows:		
Long term financing	1,367,187,642	1,367,187,642
Short term financing	673,246,932	656,399,886
Total debt	2,040,434,574	2,023,587,528
Total Equity	766,178,623	(1,489,546,129)
Capital employed	2,806,613,197	534,041,399
<b>Gearing ratio</b>	<b>27%</b>	<b>-279%</b>

## 31.04 Financial risk factors

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

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

### (a) Market risk

#### (i) Interest rate risk

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

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

#### Financial liabilities

	2023	2022	2023	2022
	Percentage		Rupees	
Long term financing	3Mk +1.25% to 3Mk+5%	3Mk +1.25% to 3Mk+5%	1,340,000,000	1,340,000,000
Total yield / markup rate risk sensitivity gap			1,340,000,000	1,340,000,000





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

## Cash flow sensitivity analysis for variable rate instruments:

	Effect on Profit and Loss 1% rate	
	Increase	Decrease
<b>As at September 30, 2023</b>		
Cash flow sensitivity - variable rate financial liabilities	<u>13,400,000</u>	<u>(13,400,000)</u>
<b>As at September 30, 2022</b>		
Cash flow sensitivity - variable rate financial liabilities	<u>13,400,000</u>	<u>(13,400,000)</u>

### (ii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to equity securities price risk as there is no investment in listed securities.

### (iii) Foreign currency risk

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

### (b) Credit risk

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

Credit risk arises from deposits with banks, trade debts, loans and advances, deposits and other receivables. The company seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable. Where considered necessary, advance payments are obtained from certain parties. The maximum exposure to credit risk is equal to carrying amount of financial assets. Out of total financial assets of Rs. 52,187,311 (2022: Rs. 46,449,745) the financial assets exposed to credit risk amount to Rs. 41,288,891 (2022 : 34,811,700).

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



Long term deposits	490,000	490,000
Advances, deposits, prepayments and other receivables	44,126,807	43,524,421
Bank balances	1,971,835	2,435,324
	<u>46,588,642</u>	<u>46,449,745</u>

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

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

Geographically, there is no concentration of credit risk.



## (c) Liquidity risk

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

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

	<b>2023</b>			
	Carrying Amount	Contractual cash flows	Upto twelve months	Two to five years
<b>Financial Liabilities</b>				
Loan from banking companies	1,367,187,642	1,367,187,642	1,367,187,642	-
Trade and other payables	379,688,585	379,688,585	379,688,585	-
Accrued Markup	1,183,695,578	1,183,695,578	1,183,695,578	-
Unclaimed Dividend	1,443,972	1,443,972	1,443,972	-
Loan from related parties	673,246,932	673,246,932	673,246,932	-
	<b>3,605,262,708</b>	<b>3,605,262,708</b>	<b>3,605,262,708</b>	<b>-</b>
	<b>2022</b>			
	Carrying Amount	Contractual cash flows	Upto twelve months	Two to five years
<b>Financial Liabilities</b>				
Loan from banking companies	1,367,187,642	1,367,187,642	1,367,187,642	-
Trade and other payables	331,401,540	331,401,540	331,401,540	-
Accrued Markup	1,058,817,812	1,058,817,812	1,058,817,812	-
Unclaimed Dividend	1,443,972	1,443,972	1,443,972	-
Loan from related parties	656,399,886	656,399,886	656,399,886	-
	<b>3,415,250,852</b>	<b>3,415,250,852</b>	<b>3,415,250,852</b>	<b>-</b>



## 32 RELATED PARTY TRANSACTIONS AND BALANCES

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

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

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

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

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

	2023	2022
	Rupees	
<b>32.1.1 Transactions with related parties</b>		
<b>Sale of molasses</b>		
Abdullah Sugar Mills Limited	-	-
<b>(Repayment) / Obtain loan (to) / from - net:</b>		
Abdullah Sugar Mills Limited	16,847,046	(62,877)
Mrs. Shehzadi Ilyas	41,053,500	392,500
Mian Abdullah Ilyas	-	-
Mian Haseeb Ilyas	5,300,000	-
Mian Abdullah Ilyas	41,521,000	-
Mian Muhammad Ilyas Mehraj	3,958,000	144,243,300
Mian Ijaz Mehraj	-	72,121,650
Mrs. Yasmeen Riaz	2,300,000	72,121,650

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

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

	2023	2022
	Rupees	
<b>32.2.1 Balances payable to related parties</b>		
Haseeb Waqas Trading (Private) Limited	2,204,064	2,204,064
Abdullah Sugar Mills Limited	671,042,868	654,195,822
Mian Muhammad Ilyas Mehraj	148,201,300	144,243,300
Mian Ijaz Mehraj	72,121,650	72,121,650
Mrs. Yasmeen Riaz	74,421,650	72,121,650
Mian Waqas Riaz	15,597,680	15,597,680
Mrs. Shehzadi Ilyas	449,839,756	408,786,256
Mrs. Zainab Waqas	117,500,100	117,500,100
Mian Haseeb Ilyas	257,557,150	252,257,150
Mian Abdullah Ilyas	89,714,953	48,193,953



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

	Year ended 30 September 2023		
	Chief Executive	Directors	Executives
Remuneration	-	-	3,000,000
Other benefits	-	-	-
	-	-	3,000,000
<b>No. of persons</b>	-	-	1

	Year ended 30 September 2022		
	Chief Executive	Directors	Executives
Remuneration	-	-	3,000,000
Other benefits	-	-	-
	-	-	3,000,000
<b>No. of persons</b>	-	-	1

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

### 33 ENTITY WIDE INFORMATION

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

#### Information about geographical areas

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

#### Information about major customers

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

### 34 NUMBER OF EMPLOYEES

	Number of employees	
Average number of employees during the year	85	28
Number of employees as at September 30, 2023	340	28

### 35 AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements have been authorized for issue by the Board of Directors of the Company on January 08, 2024.

### 36 GENERAL

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



# HASEEB WAQAS SUGAR MILLS LIMITED

## 15 PROPERTY, PLANT AND EQUIPMENT - Tangible

"RUPEES"

Particulars	Cost / Revalued Amount				Depreciation					Book Value as at September 30, 2023
	As at October 01, 2022	Additions/ (Deletions)	Revaluations	As at September 30, 2023	Rate %	As at October 01, 2022	Adjustment	For the Year	As at September 30, 2023	
<b>Owned</b>										
Land - freehold	261,313,059	-	288,424,441	549,737,500	-	-	-	-	-	549,737,500
Buildings on freehold land										
- Factory	375,575,435	-	(50,843,209)	324,732,226	10%	202,936,969	-	15,145,380	218,082,348	106,649,878
- Non-factory	115,367,554	-	(23,928,924)	91,438,630	5%	36,557,741	-	3,441,971	39,999,712	51,438,918
Plant and machinery	3,360,693,365	-	3,317,762,643	6,678,456,008	5%	1,112,895,229	-	181,509,962	1,294,405,191	5,384,050,817
Electric equipment	624,971	-	-	624,971	10%	298,137	-	32,683	330,820	294,151
Furniture and fixtures	57,469,483	-	-	57,469,483	10%	47,931,292	-	953,819	48,885,111	8,584,372
Vehicles	24,985,116	-	-	24,985,116	20%	24,717,460	-	53,531	24,770,991	214,125
<b>Total</b>	<b>4,196,028,983</b>	<b>-</b>	<b>3,531,414,951</b>	<b>7,727,443,934</b>		<b>1,425,336,828</b>	<b>-</b>	<b>201,137,346</b>	<b>1,626,474,173</b>	<b>6,100,969,761</b>
<b>Right of use assets</b>										
Plant and machinery	139,500,000	-	-	139,500,000	10%	82,678,366	-	5,682,163	88,360,529	51,139,471
<b>Total</b>	<b>139,500,000</b>	<b>-</b>	<b>-</b>	<b>139,500,000</b>		<b>82,678,366</b>	<b>-</b>	<b>5,682,163</b>	<b>88,360,529</b>	<b>51,139,471</b>
<b>Grand total 2023</b>	<b>4,335,528,983</b>	<b>-</b>	<b>3,531,414,951</b>	<b>7,866,943,934</b>		<b>1,508,015,193</b>	<b>-</b>	<b>206,819,510</b>	<b>1,714,834,702</b>	<b>6,152,109,232</b>

"RUPEES"

Particulars	Cost / Revalued Amount				Depreciation					Book Value as at September 30, 2022
	As at October 01, 2021	Additions/ (Deletions)	Revaluations	As at September 30, 2022	Rate %	As at October 01, 2021	Adjustment	For the Year	As at September 30, 2022	
<b>Owned</b>										
Land - freehold	261,313,059	-	-	261,313,059	-	-	-	-	-	261,313,059
Buildings on freehold land										
- Factory	375,575,435	-	-	375,575,435	10%	183,754,917	-	19,182,052	202,936,969	172,638,466
- Non-factory	115,367,554	-	-	115,367,554	5%	32,409,856	-	4,147,885	36,557,741	78,809,813
Plant and machinery	3,360,693,365	-	-	3,360,693,365	5%	994,590,064	-	118,305,165	1,112,895,229	2,247,798,136
Electric equipment	624,971	-	-	624,971	10%	261,822	-	36,315	298,137	326,834
Furniture and fixtures	57,469,483	-	-	57,469,483	10%	46,871,493	-	1,059,799	47,931,292	9,538,191
Vehicles	24,985,116	-	-	24,985,116	20%	24,650,546	-	66,914	24,717,460	267,656
<b>Total</b>	<b>4,196,028,983</b>	<b>-</b>	<b>-</b>	<b>4,196,028,983</b>		<b>1,282,538,698</b>	<b>-</b>	<b>142,798,130</b>	<b>1,425,336,828</b>	<b>2,770,692,155</b>
<b>Right of use assets</b>										
Plant and machinery	139,500,000	-	-	139,500,000	10%	76,364,851	-	6,313,515	82,678,366	56,821,634
<b>Total</b>	<b>139,500,000</b>	<b>-</b>	<b>-</b>	<b>139,500,000</b>		<b>76,364,851</b>	<b>-</b>	<b>6,313,515</b>	<b>82,678,366</b>	<b>56,821,634</b>
<b>Grand total 2022</b>	<b>4,335,528,983</b>	<b>-</b>	<b>-</b>	<b>4,335,528,983</b>		<b>1,358,903,548</b>	<b>-</b>	<b>149,111,645</b>	<b>1,508,015,193</b>	<b>2,827,513,789</b>



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

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

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

	Note	2023 Rupees	2022 Rupees
Cost of sales	22	202,337,505	143,800,732
Administrative expenses	23	4,482,005	5,310,913
		<u>206,819,510</u>	<u>149,111,645</u>

15.03 Revalued land, building and plant and machinery:

Last revaluation has been carried out by an independent valuer Medallion Services (Private) Limited on 18th May 2023. The fair value of land, building and plant and machinery as per evaluation report was 6,213 millions.

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

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

The carrying values of the land, buildings and plant and machinery would have been Rs. 96 million, Rs. 134.25 million and Rs. 606.55 million under the cost model.

The forced sale value of the revalued of land, buildings and plant and machinery was assessed at the discount of 15 % of the value of revaluation at the date of revaluation.



## FORM OF PROXY

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

I / We \_\_\_\_\_  
of \_\_\_\_\_ being member(s) of Haseeb Waqas Sugar Mills Limited  
holding \_\_\_\_\_ ordinary Shares as per Share Register Folio No./CDC Participant I.D. No.  
\_\_\_\_\_ hereby appoints Mr/Mrs/Miss \_\_\_\_\_ of \_\_\_\_\_ who is also a  
member of the Company, Folio No./CDC Participant I.D. No. \_\_\_\_\_ or failing  
him/her \_\_\_\_\_ of \_\_\_\_\_ Folio No./ CDC Participant I.D. No.  
another member of the Company as my / our Proxy in my / our absence to attend and vote for me/us  
and on my/our behalf at the 32<sup>nd</sup> Annual General Meeting of the Company to be held on 27  
January 2024 at 09:00 a.m. at the Registered Office of the Company.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2024

Please affix Five  
Rupees Revenue  
Stamp

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

**Witness:**  
Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
NIC No: \_\_\_\_\_

**Witness:**  
Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
NIC No: \_\_\_\_\_

### Notes

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

### **For CDC Account Holders / Corporate Entities.**

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

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