



SAKRAND SUGAR MILLS LIMITED

SAKRAND

33RD ANNUAL REPORT

For the year ended 30th September, 2021



SAKRAND SUGAR MILLS LIMITED

33rd ANNUAL REPORT FOR THE YEAR ENDED SEPTEMBER 30, 2021

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COMPANY PROFILE

BOARD OF DIRECTORS

Mr. Saleem Zamindar	Chairman / Director	Mr. Jamil Akberi (Resigned - December 20, 2021)
Mr. Dinshaw H. Anklesaria	Chief Executive / Director	-
Mr. Muhammad Jamshid Malik	Director	Mr. Abdul Naeem Quraishi (Resigned - November 02, 2021)
Miss. Sadia Moin	Director	Mrs. Fatma Gulamali (Resigned - December 20, 2021)
Mr. Muhammad Saleem Mangrio	Director	Dr. Jamshed H. Anklesaria (Resigned - November 02, 2021)
Mr. Shams Ghani	Director	Mr. Amad Uddin (Resigned - February 12, 2021)
Mr. Abdul Qayyum Khan Abbasi	Director	Mr. Neville Mehta (Resigned - November 02, 2021)

AUDIT COMMITTEE

Miss. Sadia Moin	Chairperson	Mr. Abdul Naeem Quraishi (Resigned - November 02, 2021)
Mr. Saleem Zamindar	Member	Mr. Jamil Akberi (Resigned - December 20, 2021)
Mr. Abdul Qayyum Khan Abbasi	Member	Mr. Neville Mehta (Resigned - November 02, 2021)

HR COMMITTEE

Mr. Muhammad Saleem Mangrio	Chairman	Mr. Neville Mehta (Resigned - November 02, 2021)
Mr. Muhammad Jamshid Malik	Member	Mr. Jamil Akberi (Resigned - December 20, 2021)
Mr. Shams Ghani	Member	Mr. Amad Uddin (Resigned - February 12, 2021)

**CHIEF FINANCIAL OFFICER**

Mr. Shams Ghani

COMPANY SECRETARY

Mr. Ali Mahmood Khan

BANKERS

Allied Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
Habib Bank Limited
Meezan Bank Limited
MCB Bank Limited
National Bank Of Pakistan
Soneri Bank Limited
Sindh Bank Limited
Summit Bank Limited
United Bank Limited
Al-Baraka Bank Pakistan Limited

AUDITORS

UHY Hassan Naeem & Co.
Chartered Accountants

LEGAL ADVISOR

Mr. Muhammad Jamshid Malik

REGISTRAR

M/s JWAFS Registrar Services (Pvt.) Ltd.
407-408, Al Ameera Centre
Shahrah-e-Iraq, Saddar
Karachi-74400

REGISTERED OFFICE

41-K, Block-6, P.E.C.H.S., Karachi
Phone. 0092-21-35303291-2
www.sakrandsugar.com

FACTORY ADDRESS

Deh Tharo Unar, Taluka Sakrand
District Shaheed Benazir Abad, Sindh.



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 33rd (Thirty Third) Annual General Meeting of the members of **SAKRAND SUGAR MILLS LIMITED** (the Company) will be held on **Wednesday, September 14, 2022 at 03:30 p.m.** in **Beach Luxury Hotel, Moulvi Tamizuddin Khan Road, Karachi**, to transact the following business.

A) ORDINARY BUSINESS

1. To confirm the minutes of the Annual General Meeting held on Monday, April 26, 2021.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended September 30, 2021 together with the Directors' report and the Auditors' report thereon and Chairman's Review Report.

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

3. To appoint auditors for the year ending September 30, 2022 and fix their remuneration. The Members are hereby notified that the Board of Directors have recommended the name of retiring Auditors M/s UHY Hassan Naeem & Co. Chartered Accountants. The present Auditors M/s UHY Hassan Naeem & Co. Chartered Accountants, retire and being eligible, have offered themselves for re-appointment.
4. To elect seven (07) directors in accordance with the Companies Act, 2017 for a term of three years commencing from the date of holding of AGM. The following Directors of the Company will cease to hold office upon the election of a new Board of Directors:

- 1) Mr. Dinshaw H. Anklesaria
- 2) Mr. Saleem Zamindar
- 3) Mr. Muhammad Jamshid Malik
- 4) Miss. Sadia Moin
- 5) Mr. Muhammad Saleem Mangrio
- 6) Mr. Shams Ghani, and
- 7) Mr. Abdul Qayyum Khan Abbasi

B) SPECIAL BUSINESS

To consider, and if thought fit, to pass the following resolutions with or without modifications as special resolutions,

1. Alteration of the Article of Association:

Clause 91 of the Article of Association is deleted and replaced with the following;

"The remuneration to be paid to any director for attending each meeting of the Board of Directors or a Committee of such Board of the Company shall from time to time be determined by the directors of the Company. The remuneration of a director for performing extra services, shall be determined by the Board of Directors or the Share-holders in the general meeting."

- Sakrand Sugar Mills Limited
-
2. **Circulation of Financial Statement via CD/DVD:**
"As per Securities & Exchange Commission of Pakistan (SECP) S.R.O 470(I) / 2016, the Company shall circulate its financial statement to their registered members through CD/DVD."

C) OTHER BUSINESS

1. To transact any other business with the permission of the Chairman.

By Order of the Board



Ali Mahmood Khan
Company Secretary

Karachi

Dated: August 24, 2022

NOTES:

1. The Shares Transfer Book of the Company will remain closed from September 07, 2022 to September 14, 2022 (both day inclusive). Transfers received in order at the office of our Registrar, M/s JWAFS Registrar Services (Pvt.) Ltd. (407-408, Al-Ameera Centre, Shahrah-e-Iraq, Saddar, Karachi), by the close of business (5:00 p.m.) on September 06, 2022 will be treated as being in time for the purposes of attending and voting at the meeting.
2. A member entitled to attend and vote at the AGM may appoint another member as his/her proxy to attend, speak and vote instead of him/her, and a proxy so appointed shall have such rights, as respect of attending, speaking, and voting at the meeting as are available to a member. Form of Proxy is attached in the Annual Report, which is also available on the Company's website (www.sakrandsugar.com).

The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarial attested copy of the power of attorney must be deposited at the Registered Office of the Company at least 48 hours before the time of the meeting. Proxy must be a member of the Company (Sakrand Sugar Mills Limited).

CDC Shareholders, entitled to attend, speak and vote at this meeting, must bring with them their Computerized National Identity Cards (CNIC) / Passports in original to prove his/her identity, and in case of Proxy, must enclose a copy of his/her CNIC or Passport.

In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee should be attached with the proxy form.



3. Members who have deposited their shares into Central Depository Company of Pakistan Limited (CDC) will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan (SECP).

A. For Attending the Meeting

- i. In case of Individuals, the account holder and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original CNIC or, original Passport at the time of attending the Meeting.
- ii. In case of corporate entity, the Board's resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

B. For Appointing Proxies

- i. In case of individuals, the account holder and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
- ii. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii. Copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
- iv. The proxy shall produce his original CNIC or original passport at the time of the Meeting.
- v. In case of corporate entity, the Board's resolution/power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.

4. Notice to Shareholders who have not provided CNIC:

In terms of the directive of the Securities and Exchange Commission of Pakistan (SECP) the Computerized National Identity Card Numbers (CNIC) of the registered shareholders or the authorized person, except in the case of minor(s) and corporate shareholders, are required to be mentioned in the annual return filed by the Company with the SECP.

Therefore, the shareholders who have not yet provided copies of their CNIC's are advised to provide at earliest the attested copies of their CNIC's (if not already provided) directly to our Share Registrar, M/s JWAFFS Registrar Services (Pvt.) Ltd., 407-408, Al-Ameera Centre, Shahrah-e-Iraq, Saddar, Karachi.

5. Transmission of Financial Statements & Notices through email:

The Securities and Exchange Commission of Pakistan (SECP) through its Notification S.R.O.787 (I) / 2014 dated September 8, 2014 has permitted companies to circulate Audited Financial Statements along with Notice of Annual General Meeting to its members through e-mail.



Accordingly, members are requested to send their consent and e-mail addresses for receiving Audited Financial Statements and Notices through e-mail. In order to avail this facility, members are requested to send their consent and e-mail addresses at accounts@sakrandsugar.com

6. Conversion of Physical Shares into CDC Account

The SECP, through its letter No. CSD/ED/Misc/2016-639-640 dated March 26, 2021, has advised all listed companies to adhere to the provisions of Section 72 of the Companies Act, 2017 (the Act), which requires all companies to replace shares issued in physical form to book-entry form within four years of the promulgation of the Act.

Accordingly, all shareholders of the Company having physical folios/share certificates are requested to convert their shares from physical form into book-entry form at the earliest. Shareholders may contact a PSX Member, CDC Participant, or CDC Investor Account Service Provider for assistance in opening a CDS Account and subsequent conversion of the physical shares into book-entry form. Maintaining shares in book-entry form has many advantages - safe custody of shares with the CDC, avoidance of formalities required for the issuance of duplicate shares etc. The shareholders of the Company may contact the Share Registrar M/s JWAFFS Registrar Services (Pvt.) Ltd., for the conversion of physical shares into book-entry form.

7. Pursuant to Companies (Postal Ballot) Regulations, 2018, for the purpose of election of directors, where in case number of contestants are more than the number of directors to be elected, members will be allowed to exercise their right to vote through postal ballot, that is voting by post in accordance with the requirements and procedures contained in the aforesaid Regulation.
8. Members are requested to notify any change in their addresses and their contact numbers immediately to our Share Registrar **M/s JWAFFS Registrar Services (Pvt.) Ltd.** (407-408, Al Ameera Centre, Shahrah-e-Iraq, Saddar, Karachi).
9. Kindly quote your folio number in all correspondences with the Company.

10. STATEMENT OF MATERIAL FACTS

- Circulation of Financial Statement via CD/DVD:

The Board of directors in its meeting held on August 03, 2022 recommended to circulate the financial statements of the Company to its registered members through CD/DVD and for this purpose following resolution be passed with or without modification,

"As per Securities & Exchange Commission of Pakistan (SECP) S.R.O 470(I)/2016, the Company shall circulate its financial statement to their registered members through CD/DVD."

The directors are not interested, directly or indirectly, in the above special business.

- Alteration of the Article of Association:

The Board of directors in its meeting held on August 03, 2022 recommended an alteration in the Article of Association related to the remuneration to be paid to any director for attending each



meeting of the Board of Directors or a Committee of such Board of the Company and for this purpose following resolution be passed with or without modification.

"The remuneration to be paid to any director for attending each meeting of the Board of Directors or a Committee of such Board of the Company shall from time to time be determined by the directors of the Company. The remuneration of a director for performing extra services, shall be determined by the Board of Directors or the Share-holders in the general meeting."

- **Election of Directors**

The present Directors of Sakrand Sugar Mills Limited will cease to hold office upon the election of a new Board of Directors on September 14, 2022. In terms of Section 159(1) of the Companies Act, 2017, the Board of Directors has fixed the number of elected Directors at seven (07) to be elected in the Annual General Meeting of the Company for a period of three years.

Any person who seeks to contest the election to the office of a Director, whether he is retiring director or otherwise, shall submit the following documents at the Registered Office of the Company located at 41-K, Block 6, P.E.C.H.S., Karachi, not later than fourteen (14) days before the date of Annual General Meeting.

- i. Notice of his/her intention to offer himself / herself for election in terms of Section 159(3) of the Act, together with the consent to act as a director in Form 28 prescribed under the Companies Act, 2017.
- ii. A detailed profile along with office address as required under SECP SRO 1196 (I)/2019 dated October 3, 2019.
- iii. His / Her Folio number / CDC Investor Account number / CDC Participant Account number / Sub-Account number. He / She must be a member of the Company at the time of filing consent for contesting election of directors except for a person representing a member which is not a natural person.
- iv. A declaration confirming that;
 - (a) He/she is aware of his/her duties and powers under the relevant laws, Memorandum & Articles of Association of the Company and listing regulations of the Pakistan Stock Exchange; and
 - (b) He/she is not ineligible to become a director of a listed company under any provisions of the Companies Act, 2017, the Listed Companies (Code of Corporate Governance) Regulations, 2019, and any other applicable law, rules and regulations.
- v. Copy of valid CNIC and NTN, and
- vi. Independent Director(s) will also be elected through the process underlined in terms of section 159 of the Act and are encouraged to meet the criteria laid down in Section 166 of the Act, and the Companies (Manner and Selection of Independent Directors) Regulations 2018.

The Final list of contesting directors will be circulated not later than seven days before the date of said meeting, in term of section 159 (4).



اطلاع برائے سالانہ اجلاسِ عام

مطلع کیا جاتا ہے کہ سکرینڈ شوگر مزل میڈیڈ کے حصص یافتگان کا تینیسوں سالانہ اجلاس عام بروز بدھ 14 ستمبر 2022 کی دوپہر 3:30 بجے پنج گزیری ہوئی مولوی تمیز الدین خان روڈ کراچی میں منعقد ہوگا۔
تینیسوں سالانہ اجلاس میں درج ذیل امور طے پائیں گے۔

(الف) عمومی امور

- 1- 26 اپریل 2021 کو منعقد ہونے والے سالانہ اجلاس عام کی کارروائی کی توثیق۔
- 2- 30 ستمبر 2021 کو اختتام پذیر ہونے والے سال کے لئے کمپنی کے آڈٹ شدہ حسابات بمعہ ڈائیریکٹرز اور آڈیٹر رپورٹ کی وصولی، تجزیہ اور منظوری۔
- 3- کمپنیز ایکٹ 2017 سیکشن (7) 223 کی تکمیل میں کمپنی کے مالیاتی گوشوارے کی ویب سائٹ پر اپ لوڈ کردیئے گئے ہیں جنہیں درج ذیل لینک سے ڈاؤن لوڈ کیا جاسکتا ہے: (<https://www.sakrandsugar.com>)
- 4- 30 ستمبر 2022 کو ختم ہونے والے سال کے لئے آڈیٹر کا تقریباً ان کے معاوضے کا تعین۔ موجودہ آڈیٹر زمیسرز یو۔ ایچ۔ والے حسن نعیم اینڈ کو، چارٹرڈ اکاؤنٹنٹ، ریٹائرڈ ہو رہے ہیں اور انہوں نے اپنی اہلیت کی بنیاد پر ایک مرتبہ پھر اپنی خدمات پیش کرنے کا ارادہ ظاہر کیا ہے۔
- 5- کمپنیز ایکٹ 2017 کی دفعات کے مطابق ڈائیریکٹرز کا انتخاب۔ کمپنی بورڈ آف ڈائریکٹرز نے منتخب کئے جانے والے ڈائیریکٹرز کی تعداد 7 طے کی ہے۔ ریٹائرڈ ہونے والے ڈائریکٹرز درج ذیل ہیں۔

- 1- جناب ڈنسٹری ہوشاگ نگ انکلیسیر یا
- 2- جناب سلیم زمیندار
- 3- جناب محمد جمشید ملک
- 4- محترمہ سعدیہ معین
- 5- جناب محمد سلیم منگر یو
- 6- جناب شمس غنی، اور
- 7- جناب عبدالقیوم خان عباس



(ب) خصوصی امور

غور کرنا اور اگر مناسب سمجھو تو درج ذیل قراردادوں کو خصوصی قراردادوں کے طور پر ترمیم کے ساتھ یا بغیر ترمیم منظور کرنا۔

1- آرٹیکل آف ایسوی ایشن میں ترمیم

آرٹیکل آف ایسوی ایشن کی شق نمبر 91 کو تحلیل کر کے مندرجہ ذیل تبدیلی۔

کسی بھی ڈائریکٹر کو بورڈ کی کمیٹی کی ہر میٹنگ میں شرکت کے لیے ادا کیے جانے والے معاوضے کا تعین کمپنی کے ڈائریکٹر و فتاوٹا کریں گے۔ اضافی خدمات انجام دینے کے لیے ڈائریکٹر کے معاوضے کا تعین بورڈ آف ڈائریکٹر زیاشر ہولڈرز جنگ میٹنگ میں کریں گے۔

2- CD/DVD کے ذریعے آڈٹ شدہ حسابات اور نوٹس کی ترسیل:

سکیورٹیز اینڈ ایچجن کمیشن آف پاکستان (SECP) کے مطابق کمپنی اپنے رجسٹرڈ نمبر ان کو CD/DVD کے ذریعے اپنے مالیاتی گوشوارے بھیجے گی۔

(پ) دیگر امور

چیئر مین کی اجازت سے دیگر امور کی انجام دہی۔

بجٹم یورڈ

علی محمد خان
کمپنی یکریٹری

کراچی

24 اگست 2022

نوٹس:

1- کمپنی کی حصہ منتقلی کی کتب 07 ستمبر 2022 سے 14 ستمبر 2022 تک بند رہیں گی (بشمول دونوں ایام)۔ ہمارے شیئر رجسٹر ار کو 06 ستمبر 2022 تک کاروباری اوقات کے اختتام (5 بجے شام) تک وصول ہونے والی منتقلیوں کو اجلاس میں شرکت اور ووٹ دینے کے لئے بروقت تصور کیا جائے گا۔ شیئر رجسٹر ار کا پتہ درج ذیل ہے۔

M/s JWAFFS Registrar Services (Pvt.) Ltd. 407-408,

Al Ameera Centre, Shahrah-e-Iraq, Saddar, Karachi.



2- اجلاس میں شرکت اور ووٹ دینے کے اہل ممبر کو اجلاس میں شرکت اور ووٹ دینے کے لیے کسی کو بطور نمائندہ (پرائسی) مقرر کرنے کا حق حاصل ہوگا اور مقرر کردہ پرائسی کو اجلاس میں شرکت اظہار رائے اور ووٹ دینے کے وہی حقوق حاصل ہوں گے جو خود ممبر کو حاصل ہیں۔
نائب کی تقری کی مستاویز، مختار نامہ، یا اس کی تصدیق شدہ کاپی اجلاس کے انعقاد سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس یا شیسر رجسٹر آفس کے دفتر میں موصول ہو جانی چاہیے۔ نائب کی تقری کا فارم مالیاتی گوشوارے اور کمپنی کی ویب سائٹ پر مہیا کر دیا گیا ہے۔
پرائسی کو کمپنی (سکرینڈ شوگر مول میڈیا) کا ممبر ہونا لازمی ہے۔

3- اراکین جنہوں نے اپنے حصہ سی ڈی سی اکاؤنٹ میں جمع کروار کھے ہیں، سیکورٹیز اینڈ ایچینچ کمیشن آف پاکستان کی جاری کردہ ہدایات پر عمل کریں۔

(الف) برائے شرکت اجلاس

(i) افراد کی صورت میں اکاؤنٹ ہولڈرز یا سب اکاؤنٹ ہولڈرجن کی سیکورٹیز اور رجسٹریشن تفصیلات سی ڈی سی خواطی کے مطابق اپ لوڈ (فراہم) کی گئی ہوں، اجلاس میں شرکت کے وقت اپنا اصل قومی شناختی کارڈ یا اصل پاسپورٹ ہمراہ لائیں، جس کے مطابق بوقت اجلاس اپنی شناخت کرانا ہوگی۔

(ii) کارپوریٹ ہستی کی صورت میں، بورڈ آف ڈائیریکٹرز کی قرارداد یا پاور آف اٹارنی مع نامزد فرد کے دستخط کا نمونہ بوقت میٹنگ کمپنی کو پیش کرنا ہوگی۔

(ب) پرائسی کی تقری کے لیے

(i) افراد کی صورت میں اکاؤنٹ ہولڈرز یا سب اکاؤنٹ ہولڈرجن کی سیکورٹیز اور رجسٹریشن تفصیلات سی ڈی سی خواطی کے مطابق اپ لوڈ (فراہم) کی گئی ہوں، کو اپنے پرائسی فارم کمپنی خواطی کے تحت جمع کروانے ہوں گے۔

(ii) پرائسی فارم پر دو گواہان کے دستخط ہوں گے، جن کے نام، بپتہ اور شناختی کارڈ نمبر فارم میں ظاہر کئے گئے ہوں۔

(iii) پرائسی کو حقیقی حصہ یافتہ کے قومی شناختی کارڈ اور پاسپورٹ کی مصدقہ نقول پرائسی فارم کے ہمراہ پیش کرنا ہوگی۔

(iv) پرائسی کو اجلاس کے موقع پر اپنا اصل شناختی کارڈ یا پاسپورٹ پیش کرنا ہوگا۔

(v) کارپوریٹ ہستی کی صورت میں، بورڈ آف ڈائیریکٹرز کی قرارداد یا پاور آف اٹارنی مع نامزد فرد کے دستخط کا نمونہ پرائسی فارم کے ہمراہ کمپنی کو پیش کرنا ہوگی۔

4- حصہ یافتہ گان کے لیے نوٹس جنہوں نے اپنا قومی شناختی کارڈ مہیا نہیں کیا:

سیکورٹیز اینڈ ایچینچ کمیشن آف پاکستان کے اعلامیہ کے مطابق رجسٹرڈ حصہ یافتہ گان اپنا کمپیوٹرائزڈ قومی شناختی کارڈ یا مجاز شخص کا مساوی نابالغان اور کارپوریٹ حصہ یافتہ گان کے جمع کروانا لازمی قرار پایا ہے، چنانچہ ان حصہ یافتہ گان کو جنہوں نے اپنے قومی شناختی کارڈ کی



نقول فراہم نہیں کیں انہیں متنبہ کیا جاتا ہے کہ مصدقہ شناختی کارڈ کی نقول بنائی تا خیر کے درج ذیل پتہ پر شیئر رجسٹر کو جمع کروائیں:

M/s JWAFFS Registrar Services (Pvt.) Ltd.

407-408, Al Ameera Centre, Shahrah-e-Iraq, Saddar, Karachi.

5- ای میل کے ذریعے آڈٹ شدہ حسابات اور نوٹس کی ترسیل:

سیکورٹیز اینڈ اپچینچ کمپنیشن آف پاکستان (ایس ای سی پی) نے اپنے نوٹیفیکیشن 2014/I/787 موخر 8 ستمبر 2014 کے ذریعے کمپنیوں کو ای میل کے ذریعے اپنے ممبروں کو سالانہ جزئی میٹنگ کے نوٹس اور آڈٹ شدہ حسابات بھیجنے کی اجازت دی ہے۔ اسی مناسبت سے، ممبروں سے درخواست کی جاتی ہے کہ وہ ای میل کے ذریعے نوٹس اور آڈٹ شدہ حسابات وصول کرنے کے لئے اپنی رضامندی اور اپنا ای میل ایڈریس مندرجہ ذیل ای میل ایڈریس پر پہنچیں۔

accounts@sakrandsugar.com

6- فزیکل شیئر زکی سی ڈی سی اکاؤنٹ میں تبدیلی

ایس ای سی پی نے اپنے لیٹر نمبر 639-640 CSD/ED/Misc/2016-2021 بتاریخ 26 مارچ 2021 کو تمام لسٹ کمپنیوں کو پیغماں ایک 2017 کے سیشن 72 کی تکمیل میں تجویز دی ہے جس کے مطابق تمام کمپنیوں کے لیے لازم ہے کہ فزیکل فارم میں جاری شدہ تمام شیئر زکوں اس ایکٹ کے نفاذ سے چار سال کے اندر بک انتڑی فارم میں تبدیل کریں۔

اسی طرح کمپنی میں فزیکل فولیو/شیئر سٹیکیٹ رکھنے والے تمام شیئر ہولڈرز سے گزارش کی جاتی ہے کہ جلد از جلد اپنے فزیکل شیئر زکوں بک انتڑی فارم میں تبدیل کرائیں۔ اس ضمن میں شیئر ہولڈرز پاکستان اسٹاک اپچینچ ممبری ڈی سی پارٹسپٹ یا سی ڈی سی انوسٹری اکاؤنٹ سروس پر دادیئڑ رز سے سی ڈی سی اکاؤنٹ کھولنے میں معاونت اور فزیکل شیئر زکی بک انتڑی فارم میں منتقلی کر سکتے ہیں۔ بک انتڑی فارم میں شیئر ز رکھنا کئی فوائد کا حامل ہے جس میں سی ڈی سی شیئر زکی محفوظ تحویل، ڈپلیکیٹ شیئر ز وغیرہ کے اجراء کیلئے مطلوبہ لوازمات سے بچاؤ شامل ہے۔ اس ضمن میں کمپنی کے شیئر ہولڈرز کمپنی کے شیئر رجسٹر M/s JWAFFS Registrar Services (Pvt.) Ltd. سے فزیکل شیئر ز کو بک انتڑی فارم میں تبدیلی کرنے لے لیے رابطہ کر سکتے ہیں۔

7- کمپنیز (پوٹل بیلٹ) ریگولیشنز کی تعمیل میں کمپنیز ایکٹ 2017 کی سیشن 143 اور 144 کے لوازمات سے مشروطہ ارکیٹر کے انتخاب اور کسی بھی ایجادہ آئندہ کے مقصد کیلئے، ممبران کو پوٹل بیلٹ کے ذریعے ووٹ دینے کی اجازت ہوگی اس میں ووٹ کا پوست کے ذریعے مذکورہ بالا ریگولیشنز کی شرائط و ضروریات کے مطابق حق دیا جائیگا۔

8- ممبران سے گزارش ہے کہ اپنے پتے اور رابطہ نمبروں میں کسی بھی قسم کی تبدیلی کی فوری اطلاع شیئر رجسٹر کو مندرجہ ذیل پتے پر جمع کروائیں،

M/s JWAFFS Registrar Services (Pvt.) Ltd. (407-408, Al Ameera Centre, Shahrah-e-Iraq, Saddar, Karachi).

9- برائے مہربانی کمپنی کے ساتھ تمام مراسلات میں اپنے فولیونر کا حوالہ دیں۔



10۔ اہم حقوق کا بیان

CD/DVD کے ذریعے آڈٹ شدہ حسابات اور نوٹس کی ترسیل:

بورڈ آف ڈائریکٹرز نے 03 اگست 2022 کو منعقدہ اپنے اجلاس میں کمپنی کے مالیاتی گوشواروں کو اپنے رجسٹرڈ ممبر ان کو CD/DVD کے ذریعے منتقل کرنے کی سفارش کی اور اس مقصد کے لیے درج ذیل قرارداد کو ترمیم کے ساتھ یا بغیر پاس کیا جائے۔

”سیکورٹیز اینڈ ایچنچ کمیشن آف پاکستان (SECP) 470(I) / 2016 کے مطابق کمپنی اپنے رجسٹرڈ ممبر ان کو CD/DVD کے ذریعے اپنے مالیاتی گوشوارے بھیجے گی۔“
”ڈائریکٹرز با الواسطہ یا بلا الواسطہ مذکورہ بالخصوصی کاروبار میں کوئی ذاتی دلچسپی نہیں رکھتے۔“

آرٹیکل آف ایسوی ایشن میں ترمیم

بورڈ آف ڈائریکٹرز نے 03 اگست 2022 کو ہونے والی اپنی میٹنگ میں بورڈ آف ڈائریکٹرز یا کمپنی کے ایسے بورڈ کی کمیٹی کی ہر میٹنگ میں شرکت کیلئے ڈائریکٹرز کو ادا کیلئے جانے والے معاوضے سے متعلق آرٹیکل آف ایسوی ایشن میں تبدیلی کی سفارش کی۔ اس مقصد کیلئے درج ذیل قرارداد کو ترمیم کے ساتھ یا بغیر پاس کیا جائے۔

”کسی بھی ڈائریکٹرز کو بورڈ آف ڈائریکٹرز یا کمپنی کے ایسے بورڈ کی کمیٹی کی ہر میٹنگ میں شرکت کے لیے ادا کیے جانے والے معاوضے کا تعین کمپنی کے ڈائریکٹرز وقاوف نت کریں گے۔ اضافی خدمات انجام دینے کے لیے ڈائریکٹر کے معاوضے کا تعین بورڈ آف ڈائریکٹرز یا شیئر ہولڈرز جزل میٹنگ میں کریں گے۔“

ڈائریکٹرز کا انتخاب

سکرینڈ شوگر ملٹی بینڈ کے موجودہ ڈائریکٹرز 14 ستمبر 2022 کو نئے بورڈ آف ڈائریکٹرز کے انتخاب کے موقع پر عہدہ چھوڑ دیں گے۔ کمپنیزا یکٹ 2017 کے سیکشن (1) 159 کے مطابق بورڈ آف ڈائریکٹرز نے منتخب کیتے جانے والے ڈائریکٹرز کی تعداد 7 طے کی ہے جو تین سال کے مدت کے لیے کمپنی کے سالانہ جزل میٹنگ میں منتخب کیے جائیں گے۔

ڈائریکٹرز کے انتخاب میں حصہ لینے کا خواہشمند کوئی بھی فرد چاہے سبکدوش ہونے والا ڈائریکٹر ہو یا کوئی دیگر فرد اسی کمپنیزا یکٹ 2017 کے سیکشن (3) 159 کی شرائط کے تحت بطور ڈائریکٹر انتخاب کے لئے خود کو پیش کرنے کے ارادے کا ایک نوٹس کمپنی کے پاس اجلاس کی تاریخ سے چودہ (14) دن قبل درج ذیل دستاویزات کمپنی کے رجسٹرڈ آفس میں جمع کرنا ہوگا۔ رجسٹرڈ آفس کا پہنچ درج ذیل ہے۔

SAKRAND SUGAR MILLS LIMITED

41-K, Block-6, P.E.C.H.S., Karachi. Ph: +92-21-35303291-92

- (i) کمپنیزا یکٹ 2017 کے تحت فارم 28 پر بطور ڈائریکٹر کام کرنے کے لئے رضا مندی اور اجازت۔
- (ii) سیکورٹیز اینڈ ایچنچ کمیشن آف پاکستان (SECP) کی جانب سے جاری کردہ ایس آر او 2014 (1) 634 مورخہ 10 جولائی 2014 کے تحت اپنی ایک مفصل پروفائل بیشول دفتر کا پتہ۔
- (iii) اس کا فول یونہر / اسی ڈی سی انویسٹر اکاؤنٹ نمبر / اسی ڈی سی پارٹیسپنٹ اکاؤنٹ نمبر / سب اکاؤنٹ نمبر۔ ڈائریکٹرز کے انتخاب میں حصہ



لینے کے لیے رضامندی داخل کرنے کے وقت اسے کمپنی کا ممبر ہونا چاہیے، سوائے اس شخص کے جو کسی ایسے فرد کی نمائندگی کر رہا ہو جو فطری شخص نہ ہو۔

(iv) ڈیکلریشن جس سے تصدیق ہو کہ:

☆ وہ کمپنیز ایکٹ 2017 کے تحت ڈائریکٹر کمپنی کے فرائض کمپنی کے میموریڈم اور آریکلز آف ایسوی ایشن اور پاکستان اسٹاک ایچیجن کے لسٹنگ ریگولیشنز سے بخوبی واقف ہے۔

☆ وہ لسٹنگ کمپنیز (کوڈ آف کارپوریٹ کورنس) ریگولیشنز 2019 کی شرائط اور کمپنیز ایکٹ 2017 میں درج الہیت کے معیار پر پورا اترتا ہے۔

☆ وہ بیک وقت پانچ (5) سے زائد لسٹنگ کمپنیوں میں بطور ڈائریکٹر فرائض انجام نہیں دے رہا اس سلسلے میں یہ واضح رہے کہ اس میں لسٹنگ ہوئے گے کمپنی کے لسٹنگ میں اداروں میں ڈائریکٹر شپ شامل نہیں ہے۔

☆ سی ڈی سی اکاؤنٹ ہوئے روز کو مزید برائے سیکورٹیز اینڈ ایچیجن کمیشن آف پاکستان کی جاری کردہ ہدایات پر عمل کرنا ہو گا۔
(v) قومی شناختی کارڈ کی کاپی۔

(vi) آزاد ڈائریکٹر کا انتخاب بھی ایکٹ کے سیکشن 159 کے تحت بیان کردہ عمل کے ذریعے کیا جائے گا اور اس بات کی حوصلہ افزائی کی جائے گی کہ وہ ایکٹ کے سیکشن 166 اور Company (Manner and Selection of Independent Directors) 2018 کے ضوابط کے معیار پر پورا اتریں۔



VISION & MISSION STATEMENT

VISION

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

MISSION

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



DIRECTORS' REPORT

The Board of Directors present its report along with the annual audited financial statements of your Company for the year ended September 30, 2021.

Operational Highlights

		Season	
		2021	2020
Operational days	Days	115	116
Sugarcane crushed	M. Tons	205,968	312,129
Production			
Sugar	M. Tons	19,453	30,123
Molasses	M. Tons	10,093	22,040
Recovery			
Sugar	%	9.445	9.677
Molasses	%	4.900	6.484

Financial Highlights

Description	2021	2020
	Rupees in Millions	
Sales - net	1,614.53	1,966.83
Cost of Sales	(1,662.02)	(2,425.50)
Gross loss	(47.49)	(458.67)
Loss before taxation	(492.44)	(741.94)
Loss after taxation	(359.51)	(599.25)
(Loss)/Earning per Share	Rs. (8.06)	(13.43)

The year under review was again a challenging year for the sugar industry. The Plant could crush only 205,968 metric tons of sugarcane to produce 19,453 metric tons of sugar compared to 312,129 metric tons of sugarcane processed yielding 30,123 metric tons of sugar produced during last year. The reasons for the lower production were primarily due to late rains, resulting in stale and dry cane in the majority of the operational area. This resulted in lower yields and recoveries of sugarcane. The sucrose recovery declined due to lower sugar content in the sugarcane.

The period under review resulted into a Loss of Rs. 359.51 million which also include a provision of Rs. 166.87 million against Trade Debts, as compared to a Loss of Rs. 599.25 million incurred during the last corresponding period. The primary reason attributable to negative bottom line is the shortage of Cane Crop, particularly in the lower Sindh region, resulting in the dual disadvantage. Firstly, below capacity utilization of mill, and, secondly, exorbitant high prices of cane which could not be transformed into the selling price of the finished product because of stringent government policies on this specific commodity.



AUDITORS' REPORT

As regards to the adverse opinion by the Auditors as to Going Concern, it may be mentioned that despite of stringent unfavorable conditions faced by the industry in general and as an entity in particular, the Company was able to perform much better during the Crushing Season 2021-2022 as it produced 53,774 metric tons of sugar as against the production of 19,453 metric tons of sugar produced during the year under review. The management is taking all necessary steps to turnaround the entity into a profitable venture.

FUTURE OUTLOOK

The management of our Company established an advisory cell with an aim to educate the growers of the mill zone to enhance the acreage and yield of cane crop and facilitate and guide them on the sowing of most appropriate cane variety and correct usage and timing of desired fertilizer. This activity will definitely yield positive results.

CORPORATE SOCIAL RESPONSIBILITY

Being a responsible corporate citizen, the Company always strives to discharge its social responsibilities towards the society. Go green activities are conducted throughout the year by planting trees in the surrounding area. Various measures are also taken to reduce pollution and pollutant affluent.

The Company provides medical facilities for its employees and uses health insurance from Jubilee Health Insurance. Health cards are available to executives and employees for easy access to medical facilities when needed at approved hospitals. The Company also organizes regular medical camps, and medical facilities are provided free of charge to workers and villagers.

The Company also plans to increase literacy in the surrounding areas and encourages farmers and workers to undergo basic and advanced education as well as training.

The Company always strive to provide a clean and healthier living conditions for its employees and providing ample extracurricular indoor and outdoor activities for resident employees and their families.

LABOUR MANAGEMENT RELATIONS

The relationship between management and workers is cordial and cooperative. I would like to take this opportunity to thank and appreciate the spirit of understanding, goodwill and cooperation shown by our staff/workers and hope that this continues in the future.

I would also like to thank the managers, officers and all employees of the company for their dedication, responsibility and loyalty.

AUDITORS

The external auditors "M/s UHY Hassan Naeem & Co". Chartered Accountants retire and being eligible offer their services for the year 2021-2022.



STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK

1. Proper books of accounts of the Company have been maintained.
2. Appropriate accounting policies have been consistently applied in preparation of the financial statements, changes if any have been adequately disclosed and accounting estimates are based on reasonable and prudent judgment.
3. International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in preparation of financial statements and departure there from if any, has been adequately disclosed.
4. The financial statements, prepared by the Company, present fairly its state of affairs, the result of its operation, cash flows and changes in equity.
5. The Company operates a funded Provident Fund Scheme for its permanent employees.
6. There has been no material departure from the best practices of Corporate Governance except those mentioned in the preamble of the statement.
7. Key operating and financial data for last six years in summarized form is annexed.
8. The total number of directors as on September 30, 2021 are as following,

a:	Male	5
b:	Female	1

9. The composition of the Board is as follows;

i.	Independent Directors	-
ii.	Non-Executive Directors	5
iii.	Executive Directors	1

10. During the year, four meetings of the Board of Directors were held as detailed below.

Name of Director	Number of BOD meetings attended
Mr. Dinshaw H. Anklesaria	4
Mr. Jamil Akberi	4
Mr. Abdul Naeem Quraishi	1
Mr. Neville Mehta	4
Mrs. Fatma Gulamali	4
Dr. Jamshed H. Anklesaria	1

11. The details of the Audit Committee during the year are as follows;



Name	Number of meetings attended
Mr. Abdul Naeem Quraishi - Chairman	4
Mr. Jamil Akberi - Member	4
Mr. Neville Mehta - Member	4

12. The details of the HR Committee during the year are as follows;

Name	Number of meetings attended
Mr. Neville Mehta - Chairman	1
Mr. Jamil Akberi - Member	1
Mr. Shams - Secretary	1

13. The board has not arranged any training program for the Directors of the Company during the year.

14. No dividend has been announced during the year.

PATTERN OF SHARE HOLDING

The pattern of shareholding and additional information regarding pattern of shareholding as on September 30, 2021 is annexed.

ACKNOWLEDGEMENT

The Management of the Company would like to thank all its stakeholders including staff, financial institution and shareholders for their continued support and cooperation.

On behalf of the Board of Directors

D.H.Anklesaria
Dinshaw H. Anklesaria
Chief Executive

Shams Ghani
Shams Ghani
Director

Karachi: August 03, 2022



ڈائریکٹرز کی رپورٹ

ہم آپ کو چینی کے تیسیواں (33) سالانہ اجلاس عام میں خوش آمدید کہتے ہیں، ساتھ ہی پیش خدمت ہیں 30 ستمبر 2021 کے مالیاتی اور کارکردگی کے نتائج اور آڈٹ شدہ مالیاتی گوشوارے بعد آڈیٹرز رپورٹ۔

آپرینگ نتائج

	سینٹر.....	
	2021	2020
Operational Days	Days	115
Sugarcane crushed	M. Tons	205,968
Production		312,129
Sugar	M. Tons	19,453
Molasses	M. Tons	10,093
Recovery		
Sugar	%	9.445
Molasses	%	4.900
		9.677
		6.484

مالیاتی نتائج

	2021	2020
	Rupees in Millions.....	
Sales - net	1,614.53	1,966.83
Cost of Sales	(1,662.02)	(2,425.50)
Gross loss	(47.49)	(458.67)
Loss before taxation	(492.44)	(741.94)
Loss after taxation	(359.51)	(599.25)
(Loss)/Earning per Share	Rs. (8.06)	(13.43)

زیر جائزہ سال شوگرانڈستری کیلئے ایک بار پھر چیلنج کے سال رہا۔ پلان صرف 968 میٹر کٹن گئے کی کریشنگ کر کے 19,453 میٹر کٹن چینی پیدا کر سکا جیکہ پھر سال کے دوران 312,129 میٹر کٹن گئے کی کریشنگ کر کے 30,123 میٹر کٹن چینی پیدا کی گئی تھی۔ کم پیداوار کی بنیادی وجہ دیر سے ہونے والی بارشیں تھیں، جس کے نتیجے میں زیادہ تر آپریشنل علاقوں میں گناہاسی اور خشک ہو گیا تھا۔ اسکے نتیجے میں گئے کی کم پیداوار کم ریکوری ہوئی۔ گئے میں سکروز کی مقدار کم ہونے کی وجہ سے چینی کی پیداوار میں کمی واقع ہوئی۔

آڈیٹر پر ٹوٹ

گوئنگ کنسنر کے حوالہ سے آڈیٹر کی طرف سے متفق رائے کے حوالے سے یہ ذکر کیا جاسکتا ہے کہ باوجود اس کے اس وقت بالخصوص ادارے کو اور بالعموم چینی کی صنعت کو بہت سے مسائل درپیش ہے، پھر بھی ادارے نے کرشنگ سین 2021-2022 میں قدرے بہتر کر کر دگی دکھاتے ہوئے 53,774 میٹر کٹ ٹھنچی کی پیدواری، جیکر زیرنظر سال میں یہ پیداوار 19,453 میٹر کٹ ٹھنچی۔ جو اس بات کی واضح دلیل ہے کہ کمپنی انتظامیہ ادارے کو منافع بخش کاروبار میں تبدیل کرنے کیلئے تمام ضروری اقدامات کر رہی ہے۔

مستقبل کا چائزہ

ہماری کمپنی کی انتظامیہ نے ایک مشاروتی میل قائم کیا ہے جس کا مقصد ملزموں کے کاشنکاروں کو گئے کی فصل کے رقبے اور پیداوار کو بڑھانے اور گئے کی موزوں ترین اقسام کی بوائی اور مطلوبہ کھاد کے درست استعمال اور وقت کے بارے میں سہولت اور رہنمائی فراہم کرنا ہے۔ اس سرگرمی کے یقیناً ثابت تباہ برآمد ہوں گے۔

کارپوریٹ سماجی اور کمپنی کے کاروبار کے ماحول پر اڑات

ایک ذمہ دار کارپوریٹ شہری ہونے کے ناطے، کمپنی ہمیشہ معاشرے کے حوالہ سے اپنی سماجی ذمہ داریوں کو نجھانے کی کوشش کرتی ہے۔ آس پاس کے علاقے میں درخت لگا کر سال بھر شجر کاری کی سرگرمیاں چلائی جاتی ہیں۔ آلو گی کوکم کرنے کے لیے بھی مختلف اقدامات کیے جاتے ہیں۔

کمپنی ملازمین کی صحت اور حفاظت پر خصوصی توجہ دیتی ہے۔ خاص طور پر کام کے دوران ہونے والے مکمل حادثات کو روکنے کیلئے تمام اقدامات بروئے کار لائے جاتے ہیں۔ تمام ملازمین پر حفاظتی قوانین کی پاسداری لازم ہے اور اس میں ذرا سی بھی کوتاہی برداشت نہیں کی جاتی۔ کمپنی اپنے ملازمین کو میڈیا یکل کی سہولیت بھی مہیا کرتی ہے اور اس امر کیلئے کمپنی نے جو بلی ہمیچہ انشوں سے کمپنی کی خدمات حاصل کی ہوئی ہیں۔ اس کے ساتھ ساتھ وقوف قیام میں اور گردنواح کے گاؤں والوں کیلئے مفت میڈیا یکل کمپ کا اہتمام کرتی رہتی ہے۔ تعلیم کی اہمیت کو منظر رکھتے ہوئے کمپنی اپنے ملازمین اور گردنواح کے افراد کی بنیادی اور ایڈوئنس تعلیم کے حصول کا درس دیتی ہے اور اس مقصد کے حصول کیلئے ان کی ہر ممکن مدد کرتی ہے۔

یہ بات کمپنی کیلئے باعث فخر ہے کہ کمپنی اپنے ملازمین کو بہتر ماحول اور طرز رہائش مبیا کرنے میں کامیاب رہی ہے اور ملازمین کو بھی اس بات کی بھروسہ تاکید کرتی ہے کہ وہ اپنے ماحول کو بہتر بنانے میں کلیدی کردار ادا کر رہیں۔

کمپنی ہمیشہ اپنے ملازمین کے لیے ایک صاف ستھر ماحول اور صحت مندرجہ فراہم کرنے کیلئے کوشش ہے اور ہائی ملازمین اور ان کے اہل خانہ کے لیے غیر نصابی اندر وہی اور یہ وہی سرگرمیاں فراہم کرنے کی کوشش کرتی ہے۔



لیبر اور انظامیہ کے تعلقات

انظامیہ اور لیبر کے مابین تعلقات خوشنگوار اور باہمی تعاون کی نفعاء میں سازگار ہیں۔ میں تمام تر تعاون، تفہیم کی نفعاء، خلوص اور اچھی ساکھ کے حامل تمام تر ملازم میں اور کام کرنے والوں کا شکریہ ادا کرننا چاہتا ہوں اور امید کرتا ہو کہ مستقبل میں بھی ہم سب اسی روئیے کا برداشت کریں گے۔

میں شکرگزار ہوں تمام تر ایگزیکٹو افسران اور تمام اشاف ارکین کا ان کی تمام تر وفاداری، احساس ذمے داری اور کام سے بھر پور لگا و پرخراج تحسین پیش کرتے ہوئے اسے ریکارڈ کا حصہ بناتا ہوں۔

آڈیئر

آڈیئر زمیسر زیپو۔ ایچ۔ وائے۔ حسن فیض اینڈ کو چارڑا کاؤنٹریٹ ریٹائرڈ ہو رہے ہیں۔ اور اس کے ساتھ ہی الہیت کی بدولت آئندہ مالی سال کیلئے بھیتیت بیرونی آڈیئر زاپی خدمات پیش کرنے کا اظہار کر رہے ہیں۔

کار پوریٹ اور مالیتی رپورٹ کے مضابط (فریم ورک)

- 1۔ کمپنی کی جانب سے حساب کتاب کامناسب انظام ہے اور اکاؤنٹس کے تمام کھاتے کمپنی احسن طریقے سے تنقیل دیتی ہے۔
- 2۔ کمپنی کی جانب سے تیار کردہ مالیتی گوشوارے کمپنی کے شفاف معاملات کو ظاہر کرتے ہیں ایکوٹی میں تبدیلی، کیش (فناں) کا بہاؤ اور آپریشن ایک شفاف طور سے چل رہے ہیں۔
- 3۔ مالیتی گوشواروں کی تیاری میں پاکستان میں لاگو ہونے والے بین الاقوامی فناشل رپورٹنگ اور اکاؤنٹنگ کے معیارات کی مکمل پیروی کی گئی ہے۔
- 4۔ مالیتی گوشواروں کی تیاری میں مناسب اکاؤنٹس کے طریقہ کاراپناے جاتے ہیں، مالیتی تفصیلات کی تیاری مناسب اور داشتمانہ فیصلوں پر مبنی ہوتی ہے۔
- 5۔ کمپنی نے اپنے مستقل ملازم میں کیلئے پرویٹ فنڈ جاری کیا ہوا ہے۔
- 6۔ تمام قابل اطلاع کار پوریٹ گزنس کے بہترین اصولوں پر عمل کیا جا رہا ہے اور کسی بھی اصول کی عدم تقبل نہیں کی گئی۔ بجز ان دفعات کے جن کا ذکر کار پوریٹ گزنس کی رپورٹ میں کیا گیا ہے۔

7۔ کلیدی کار کرداری اور مالیتی معلومات گذشتہ 6 سال کے ضمیمہ میں مہیا کی گئی ہیں۔

8۔ کمپنی کے ڈائریکٹر کی کل تعداد درج ذیل ہے

5 مرد حضرات

1 خاتون

9۔ بورڈ کی تنقیل درج ذیل ہے

- ائمہ پیر نٹ ڈائریکٹر

- نان ایگزیکٹو ڈائریکٹر

- ایگزیکٹو ڈائریکٹر

10۔ سال رواں کے دوران بورڈ آف ڈائریکٹر کے 14 جلاس منعقد ہوئے جن کی تفصیل درج ذیل ہے۔

ڈائریکٹر کے اسامیے گری اچلاسوں میں شرکت کی تعداد

جناب انجینئر ایچ انکسیر یا

جناب جمیل اکبری

جناب عبدالحیم قریشی

جناب نیول مہتا

محترم فاطمہ غلام علی

جناب جمشید ایچ انکسیر یا

1



11- زیرچانزہ سال میں آٹھ کمپنی کی تفصیل درج ذیل ہے۔

نام	اجلاسوں میں شرکت کی تعداد
جناب حمیل اکبری	4
جناب عبدالغیم قریشی	4
جناب نبیل مہتا	4

12- زیرچانزہ سال میں "ائچ آر" کمپنی کی تفصیل درج ذیل ہے

نام	اجلاسوں میں شرکت کی تعداد
جناب نبیل مہتا	1
جناب عبدالغیم قریشی	1
جناب شمس غنی، سیکریٹری	1

13- بورڈ نے اس سال کسی ڈائریکٹرز تربیتی پروگرام کا اہتمام نہیں کیا۔

14- اس سال کسی ڈیویڈن کی سفارش نہیں کی گئی

حصہ داری کا خاکہ

30 ستمبر 2021 کے حصہ داری کا خاکہ شیئر ہولڈنگ کی تفصیلات کے ضمیمہ میں درج ہے۔

نتیجہ

کمپنی کی انتظامیہ اپنے تمام اسٹیک ہولڈرز پشوں عملہ، مالیاتی ادارے اور شیئر ہولڈرز کا مسلسل حمایت اور تعاون پر شکریہ ادا کرنا چاہتی ہے۔

آخر میں اللہ رب العزت کے حضور داعاً گوہوں کے وہ ہمیں توفیق دے کہ ہم قوی ترقی میں اپنا حصہ ملا سکیں اور اپنی کمپنی کی بہتری کیلئے کام کر سکیں۔ آمین

بشكريہ
برائے سکریٹری شوگر مارکیٹ

D.H.Makki

ڈنٹا ایچ انکسیر یا

چیف ایگریکٹریو

کراچی - 13 اگست 2022

Dannawar

شمس غنی
ڈائریکٹر



CHAIRMAN'S REVIEW

On Board's overall Performance u/s 192 of the Companies Act, 2017

I am pleased to present this report to the shareholders of Sakrand Sugar Mills Limited (the Company). Despite of the full efforts of the Board and its determination in achieving the aims and objective of the Company, we didn't get the desired results mainly because of lower production of the sugarcane and exorbitant high prices of cane.

Financial Statement for the period ended September 30, 2021 together with the notes forming part thereof has been thoroughly reviewed by the Board and in its view the financial statements together with the notes, taken as a whole, are fair and understandable.

The board of directors continued to work with great diligence and skills throughout the year. The Audit Committee was particularly focused on managing business-related risks. On the other hand, the Human Resources and Remuneration Committee has been committed to ensure that human resource policies are timely updated and properly implemented.

Policies established by the Board cover all essential segments of board responsibilities and operations of the Company. The Board is knowledgeable about the organisation's current business activities including strengths and weaknesses of each major activity, and has stressed on the fact for future planning and diversification of the business segments. The Board places great emphasis on meeting the requirements of Code of Corporate Governance.

The Board members are familiar with the current vision, mission, and core values and found them appropriate for the organisation. The composition of the Board is adequately sized to govern the Board procedures and the members are actively engaged in the work of the Board.

I would like to acknowledge the honest efforts and commitment of my fellow directors, key executives and overall staff towards the betterment and growth of the Company.

At the end, let us pray to Almighty ALLAH to guide us in our pursuits of national development and for the betterment of our organization - Ameen.

Saleem Zamindar
Chairman

Karachi: August 03, 2022



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

For the Year ended September 30, 2021

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

1. The total number of directors are 6 as per the following:

a. Male:	5
b. Female:	1
2. The composition of the Board is as follows:

i. Independent director	-
ii. Non-executive directors	4
iii. Executive director	1
iv. Female non-executive director	1
3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
4. The Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. This year the Board could not arrange Directors' Training Program. The Board has although noted the requirements for compliance in the coming year at the earliest possible.
10. The board has approved appointment of CFO, including his remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief Financial Officer and two Directors duly endorsed the financial statements before approval of the Board.



12. Following committees were formed for the period under review comprising of members given below:
 - a. Audit Committee
Mr. Abdul Naeem Quraishi - Chairman
Mr. Jamil Akberi- Member
Mr. Neville Mehta- Member
 - b. HR and Remuneration Committee
Mr. Neville Mehta - Chairman
Mr. Jamil Akberi- Member
Mr. Shams Ghani-Secretary
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committee were as per following:

a. Audit Committee	04
b. HR and Remuneration Committee	01
15. The Board has set up an effective internal audit function.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, Company secretary or director of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard; and
18. We confirm that all requirements of regulations 3, 7, 8, 33 and 36 of the Regulations have been complied with.

Saleem Zamindar

Saleem Zamindar
Chairman

Karachi: August 03, 2022



INDEPENDENT AUDITORS' REVIEW REPORT TO MEMBERS OF SAKRAND SUGAR MILLS LIMITED

Review report on the statement of compliance contained in the Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (here-in-after referred to as 'the Regulations'), prepared by the Board of Directors of Sakrand Sugar Mills Limited (the Company) for the year ended 30 September 2021 in accordance with the requirements of the Regulation 36 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

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

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

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

Following instances of non-compliance with the regulations were observed which are not stated in the Statement of Compliance:

- Auditors were not invited in any meeting of the audit committee.

Based on our review, except for the matters stated above nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 September 2021.

Further, we highlight below instances of non-compliances with the requirements of Regulations reflected in the paragraph reference where it stated in the compliance report.



- Paragraph 1, The number of directors in the Company is less than prescribed number i.e. seven as required by Companies Act, 2017.
- Paragraph 2, There is no independent director in the Company.
- Paragraph 10, The Company has not appointed head of internal audit.
- Paragraph 9, Director's training program has not arranged by the Company during the year to any of its directors.
- Paragraph 12, the audit committee and HR remuneration committee was not headed by Independent director.

Umy Hasan Naem C.A.

Chartered Accountants

Karachi: August 03, 2022



**PATTERN OF SHAREHOLDING
OF THE SHARES HELD BY THE SHAREHOLDERS
AS AT SEPTEMBER 30, 2021**

NUMBER OF SHAREHOLDERS	FROM	SHARE HOLDING	TO	TOTAL SHARES HELD
532	1	-	100	31,633
638	101	-	500	237,488
382	501	-	1000	342,779
572	1001	-	5000	1,573,469
152	5001	-	10000	1,211,608
52	10001	-	15000	651,226
38	15001	-	20000	698,270
19	20001	-	25000	454,000
14	25001	-	30000	400,500
15	30001	-	35000	508,000
11	35001	-	40000	426,260
4	40001	-	45000	172,500
7	45001	-	50000	338,340
5	50001	-	55000	268,026
7	55001	-	60000	407,732
2	60001	-	65000	125,244
4	65001	-	70000	274,200
2	70001	-	75000	146,000
2	75001	-	80000	154,800
7	95001	-	100000	700,000
1	100001	-	105000	101,500
2	105001	-	110000	217,980
2	115001	-	120000	239,500
1	120001	-	125000	125,000
1	125001	-	130000	130,000
1	130001	-	135000	132,000
1	140001	-	145000	142,500
1	150001	-	155000	150,500
2	155001	-	160000	317,500
1	180001	-	185000	185,000
1	185001	-	190000	190,000
1	195001	-	200000	198,000
1	205001	-	210000	207,092
1	255001	-	260000	258,500
1	275001	-	280000	276,300
1	410001	-	415000	412,270
1	420001	-	425000	424,700
1	465001	-	470000	468,820
1	575001	-	580000	577,249
1	580001	-	585000	581,400
1	595001	-	600000	600,000
1	715001	-	720000	715,600
1	795001	-	800000	800,000
1	950001	-	955000	955,000
2	1000001	-	1005000	2,004,108
1	1545001	-	1550000	1,545,826
1	1555001	-	1560000	1,559,960
1	1795001	-	1800000	1,800,000
1	2060001	-	2065000	2,063,000
1	2760001	-	2765000	2,761,742
1	4195001	-	4200000	4,200,000
<u>1</u>	<u>11150001</u>	<u>-</u>	<u>11155000</u>	<u>11,152,878</u>
<u>2,501</u>				<u>44,616,000</u>



**PATTERN OF SHAREHOLDING
OF THE SHARES HELD BY THE SHAREHOLDERS
AS AT SEPTEMBER 30, 2021**

S.No.	Category	No. of Shareholders	Total Shares Held	Percentage %
1	INDIVIDUAL	2456	40,103,676	89.89
2	INVESTMENT COMPANY	2	121,100	0.27
3	INSURANCE COMPANY	2	227,592	0.51
4	JOINT STOCK COMPANY	18	1,017,712	2.28
5	FINANCIAL INSTITUTION	17	2,311,480	5.18
6	NBFC	3	208,040	0.47
7	OTHERS	3	626,400	1.40
		<u>2,501</u>	<u>44,616,000</u>	<u>100.00</u>

**PATTERN OF SHAREHOLDING AS AT SEPTEMBER 30, 2021
AS PER REQUIREMENTS OF
THE CODE OF CORPORATE GOVERNANCE**

Category	Number of shares held	Category wise No. of shareholders	Category wise shares held	Percentage %
JOINT STOCK COMPANIES		18	1,017,712	2.28
INVESTMENT COMPANIES		2	121,100	0.27
DIRECTORS CHIEF EXECUTIVE AND THEIR SPOUSE AND MINOR CHILDREN		7	17,417,878	39.04
JAMSHED HOSHANG ANKLESARIA	1,000			
DINSHAW H. ANKLESARIA	11,152,878			
FATMA GHULAM ALI	800,000			
JAMIL AKBARI	1,001,000			
ABDUL NAEEM QURAISHI	600,000			
NAVIELLE MEHTA	2,063,000			
ROXANNE MEHTA	1,800,000			
BANKS, DFIS, NBFIS, INSURANCE COMPANIES, MODARABA & MUTUAL FUNDS		25	3,373,512	7.56
INDIVIDUALS				
	2449		22,685,798	50.85
	2501		44,616,000	100.00

SHAREHOLDERS HOLDING FIVE PERCENT OR MORE VOTING INTEREST IN THE COMPANY

Name of Shareholder	No. of Shares held	Percentage
MR. DINSHAW H. ANKLESARIA	11,152,878	25.00
MUHAMMAD FAROOQ	4,200,500	9.41
YASIR GUL	2,761,742	6.19
	18,115,120	40.60



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAKRAND SUGAR MILLS LIMITED

Report on the Audit of the Financial Statements

Adverse Opinion

We have audited the annexed financial statements of Sakrand Sugar Mills Limited (the Company), which comprise the statement of financial position as at September 30, 2021, and the statement of profit or loss, Statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters described in Basis for Adverse opinion Paragraph, the statement of financial position, the statement of profit or loss, Statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof do not confirm with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at September 30, 2021 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion

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

The financial Statements which indicates in note 1.1 to the financial statements that as of September 30, 2021 the Company incurred a loss after taxation of Rs. 359.507 million (2020: Rs. 599.25 million) and as of that date it has accumulated losses amounting to Rs. 1,292.292 million (2020: Rs. 958.47 million) and its current liabilities exceeded its current assets by Rs. 2,095.891 million (2020: Rs. 1,007.63 million). The Company has defaulted in repayments of installments of long term financing and other liabilities. These conditions lead us to believe that the going concern assumption used in preparation of these financial statements is inappropriate; consequently the assets and liabilities should have been stated at their realizable and settlement amounts respectively.

Key Audit Matters

Except for the matter described in the Basis for Adverse Opinion section, we have determined, Key audit matters are those that, in our professional judgment were of most significance in our audit of 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.

Following are the Key Audit Matters:

Key Audit Matter	How our audit addressed the key audit matter
Trade Debts <p>As disclosed in note 11 of the accompanying financial statements, the Company has trade debts amounting to Rs. 179.047 million net off provision for doubtful debts amounting to Rs. 174.047 million.</p> <p>We considered the recoverability of trade debts as a key audit matter due to judgement and materiality of trade debts related to the overall statement of financial position of the Company.</p>	<p>Our audit procedure to verify trade debts included the following:</p> <p>We sought external confirmation for the amount that remained outstanding during the year and compare replies to the request</p> <p>Where responses to external confirmation were not received we have checked that subsequent to year end Company received amount due from debtors.</p> <p>Obtain an understanding of the Company's process for assessing provision against trade debts.</p> <p>Evaluated the appropriateness of the Company's methodology for assessing provision against trade debts.</p> <p>Assessed the relevant disclosures made in the financial statements to determine whether they are complied with the accounting and reporting standards as applicable in Pakistan.</p>
Contingencies <p>The Company is under litigations in respect of various matters including industry wide matters as disclosed in note 24 of the accompanying financial statements.</p> <p>We have considered it to be a key audit matter due to the reason because it involves management's judgement for recognition and measurement of provisions that may be required against such contingencies.</p>	<p>Our audit procedures include the following:</p> <p>We have assessed the management's process to identify new possible litigations and changes in existing obligations by examining minutes of Board meetings.</p> <p>We have obtained confirmation from the legal counsel of the company and evaluate the status of pending litigations by considering the opinion of company's legal counsel.</p>



Information other than financial statements and Auditor's report thereon:

Management is responsible for 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 statement does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirement 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 operation, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017(XIX of 2017);
- b) because of the matter described in Basis for Adverse Opinion section, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have not been drawn up in conformity with the Companies Act, 2017 (XIX of 2017). However the same are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980(XVIII of 1980).

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

Umer Hassan Naqvi

Karachi: August 03, 2022

STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2021

	Note	September 30, 2021	September 30, 2020
		..... Rupees in '000'	
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	3,232,714	3,193,721
Intangible asset	6	1,478	2,206
Long-term loans	7	503	745
Long-term deposits	8	2,098	2,098
		3,236,793	3,198,770
Current Assets			
Stores, spares and loose tools	9	79,744	99,277
Stock-in-trade	10	51,301	79,304
Trade debts	11	179,047	356,733
Loans and advances	12	50,834	45,664
Prepayments and other receivables	13	44,990	45,018
Cash and bank balances	14	23,867	28,337
		429,783	654,333
Total Assets		<u>3,666,576</u>	<u>3,853,103</u>
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital			
60,000,000 ordinary shares of Rs. 10 each		<u>600,000</u>	<u>600,000</u>
Share capital			
Issued, subscribed and paid-up capital	15	446,160	446,160
Revenue reserves			
Accumulated loss		(1,292,292)	(958,473)
Capital reserves			
Surplus on revaluation of property, plant and equipment-net of deferred tax	16	1,809,512	1,687,975
Directors'/Sponsors' subordinated loan	17	92,767	92,767
		1,056,147	1,268,428
Non-Current Liabilities			
Deferred taxation	18	12,760	311,246
Long term financing - secured	19	-	538,352
Deferred liabilities	20	71,996	73,112
		84,756	922,710
Current Liabilities			
Trade and other payables	21	1,262,534	1,071,771
Unclaimed dividend		6,198	6,198
Unpaid dividend		68	72
Accrued mark-up	22	269,311	155,114
Current maturity of long-term financing	23	924,091	378,636
Taxation - net		63,472	50,174
		2,525,674	1,661,965
Contingencies & commitments	24	-	-
Total Equity and Liabilities		<u>3,666,576</u>	<u>3,853,103</u>

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

D.H.Arklessaria

Dinshaw H. Anklesaria
Chief Executive Officer

Shams Ghani

Shams Ghani
Chief Financial Officer

Saleem Zamindar

Saleem Zamindar
Director



**STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Note	September 30, 2021	September 30, 2020
		..... Rupees in '000'	
Sales - net	25	1,614,526	1,966,828
Cost of sales	26	(1,662,016)	(2,425,503)
Gross loss		<u>(47,490)</u>	<u>(458,675)</u>
Operating expenses			
Administrative expenses	27	(280,783)	(115,749)
Selling and distribution cost	28	(4,706) (285,489)	(5,492) (121,241)
Operating loss		<u>(332,979)</u>	<u>(579,916)</u>
Finance cost	29	(121,377)	(162,112)
Other charges	30	(38,072)	-
Other income / (loss)	31	(13) (159,462)	92 (162,020)
Loss before taxation		<u>(492,441)</u>	<u>(741,936)</u>
Taxation - net	32	132,934	142,690
Loss after taxation		<u><u>(359,507)</u></u>	<u><u>(599,246)</u></u>
Earning / (loss) per share - Basic and diluted	33	<u><u>(8.06)</u></u>	<u><u>(13.43)</u></u>

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

D.H.Anklesaria

Dinshaw H. Anklesaria
Chief Executive Officer

Shams Ghani

Shams Ghani
Chief Financial Officer

Saleem Zamindar

Saleem Zamindar
Director



STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Note	September 30, 2021	September 30, 2020
		..... Rupees in '000'	
Loss after taxation		(359,507)	(599,246)
Other comprehensive income for the year-net of tax			
Items that will not be reclassified to profit or loss:			
Actuarial gain during the year	20.2.4	1,269	9,074
Total Comprehensive loss for the year		<u>(358,238)</u>	<u>(590,173)</u>

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

D.H.Anklesaria

Dinshaw H. Anklesaria
Chief Executive Officer

Shams Ghani

Shams Ghani
Chief Financial Officer

Saleem Zamindar

Saleem Zamindar
Director



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Note	September 30, 2021	September 30, 2020
		..... Rupees in '000'	

A. CASH FLOW FROM OPERATING ACTIVITIES

Cash generated from operations	34	95,738	144,241
Taxes paid		(6,298)	(3,486)
Finance cost paid		(77)	(46,377)
Net cash generated from operating activities		89,363	94,378

B. CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment		(94,122)	(16,202)
Proceed from sale of vehicles		51	-
Long term loans		242	-
Net cash used in investing activities		(93,829)	(16,202)

C. CASH FLOWS FROM FINANCING ACTIVITIES

Long term financing - secured		-	(53,955)
Dividend paid		(4)	(362)
Net cash used in financing activities		(4)	(54,317)
 Net increase / (decrease) in cash and cash equivalents		 (4,470)	 23,859
 Cash and cash equivalents at the beginning of the year		 28,337	 4,478
 Cash and cash equivalents at the end of the year	14	 23,867	 28,337

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

D.H.Anklesaria

Dinshaw H. Anklesaria
Chief Executive Officer

Shams Ghani

Shams Ghani
Chief Financial Officer

Saleem Zamindar

Saleem Zamindar
Director



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Share capital	Capital reserve	Revenue reserve	Directors'/ Sponsors' subordinated loan	Total
	Issued, subscribed and paid-up capital	Surplus on revaluation of property, plant and equipment	Un-appropriated profit/ Accumulated loss		
..... Rupees in '000'					
Balance as at October 01, 2019	446,160	1,768,672	(387,383)	92,767	1,920,216
Loss after taxation	-	-	(599,246)	-	(599,246)
Other comprehensive income for the year	-	-	9,074	-	9,074
Total comprehensive loss for the year	-	-	(590,173)	-	(590,173)
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	(19,083)	19,083	-	-
Adjusted due to deferred tax reversals	-	(61,614)	-	-	(61,614)
Balance as at September 30, 2020	446,160	1,687,975	(958,473)	92,767	1,268,428
Balance as at October 01, 2020	446,160	1,687,975	(958,473)	92,767	1,268,428
Loss after taxation	-	-	(359,507)	-	(359,507)
Other comprehensive income for the year	-	-	1,269	-	1,269
Total comprehensive loss for the year	-	-	(358,238)	-	(358,238)
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax	-	(24,419)	24,419	-	-
Adjusted due to deferred tax reversals	-	145,956	-	-	145,956
Balance as at September 30, 2021	446,160	1,809,512	(1,292,292)	92,767	1,056,147

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



Dinshaw H. Anklesaria
Chief Executive Officer



Shams Ghani
Chief Financial Officer



Saleem Zamindar
Director



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2021

1. COMPANY AND ITS OPERATION

Sakrand Sugar Mills Limited was incorporated in Pakistan as a public limited company under the Companies Ordinance, 1984 [Repealed with the enactment of Companies Act, 2017], on March 02, 1989 and its shares are quoted on Pakistan Stock Exchange. The principal business of the Company is to manufacture and sell white sugar. The registered office of the Company is situated in 41-K, Block-6, P.E.C.H.S, Karachi while the Company's mill is situated at Deh Tharo Unar, Taluka Sakrand, District Shaheed Benazirabad, Sindh, Pakistan, having an area of 102.18 acres.

1.1 GOING CONCERN ASSUMPTION

The financial statements of the Company for the year ended 30th September 2021 reflect net loss after taxation amounting to Rs 359,507 (2020: 599,246) thousands, and its current liabilities exceeds its current assets by 2,095,891 (2020: 1,007,632) thousands. The Company defaulted in repayment of its long term resturctured liabilities due to liquidity crunch faced by the company.

However, the financial statements are prepared by the management on going concern assumption on the basis of following factors:

- a) The Company has successfully completed crushing season for 2021-2022 till the date of issuance of financial statement of 2021 and the major cash flow requirements for operations are already met.
- b) The Company has already approached its banker for restructuring of its loans and believe that the loan will be restructured and the short term liabilities will be converted into long term liabilities.
- c) The management is working on further processing of composite fertilizer (By Product) and believe that the sale of processed fertilizer will result in increase in profits.
- d) The management is working on improvement of production cycles that will results in reduction in cost of production in future.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

There were no significant event or transaction in the current period.

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 applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) 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 Basis of preparation

These financial statements have been prepared under the historical cost convention except for the following material items in the statement of financial position:

- a) Inventories are carried at lower of cost or net realisable value.
- b) Financial assets/ liabilities are carried in accordance with the requirements of IFRS-09 "Financial Instruments".
- c) Freehold land, factory and non-factory building on freehold land, plant and machinery are stated at revalued amounts, and
- d) Staff retirement benefit plan which is carried at present value of defined benefit obligation net of fair value of plan assets as prescribed in IAS-19 " Employee Benefits"

2.3 Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). These financial statements are presented in Pakistan Rupee (Rs) which is the Company's functional and presentation currency.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ASSUMPTION AND ESTIMATES

The preparation of financial statements in conformity with approved accounting standards requires the use of certain accounting estimates. It also requires management to exercise its judgements in the process of applying the company's accounting policies. Estimates and judgements are continually evaluated are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

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

- a) Determining the residual values and useful life of property, plant and equipment,
- b) Impairment / adjustment of inventories to their net realizable values,
- c) Accounting for staff retirement benefits,
- d) Recognition of tax and deferred tax,
- e) Impairment of financial and non-financial assets,
- f) Contingencies and Commitments.

3.1 Standards, Interpretations and amendments to approve accounting and reporting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards or interpretations:

Standards/ amendments/ interpretations	Effective date (accounting periods beginning on or after)
IFRS 10 Sale or contribution of Assets between an investor and & IAS 28 its associate or Joint venture (Amendment)	Not yet finalized
IAS 1 Classification of liabilities as current or non current (Amendments)	January 01, 2022
IAS 16 Proceeds before intended use (Amendments)	January 01, 2022
IAS 37 Onerous contracts-cost of fulfilling a contract (Amendments)	January 01, 2022

Improvements to Accounting standards Issued by IASB (2015-2017 cycle)

IFRS 09 Financial instruments - Fees in the '10 percent' test for derecognition of financial liabilities	January 01, 2022
IAS 41 Agriculture - Taxation in fair value measurements	January 01, 2022

The Company expects that above new standards will not have any material impact on the Company's financial statements in the period of initial application.

The IASB also issued the Conceptual framework for Financial reporting (The conceptual framework) in March 2018 which is effective from annual periods beginning on or after January 2020 for preparation of financial statements who develop accounting policies based on the conceptual framework. The Revised Conceptual framework is not a standard, and none of the concepts override those in any standard or any requirement in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

3.2 Following standards have been issued by IASB which are yet to be notified by the Securities & Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan

Standards or Interpretations	IASB Effective date (annual periods beginning on or after)
- IFRS 1 First time adoption of IFRSs	January 01, 2024
- IFRS 17 Insurance Contracts	January 01, 2023

The adoption of the above amendments to accounting standards did not have any effect on the financial statements.



4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies have been applied consistently to the periods presented in these financial statements.

4.1 Property, plant & equipment

a) Tangible asset and Depreciation

Fixed assets are stated at revalued amount less accumulated depreciation and accumulated impairment losses, if any, except for freehold land, factory and non-factory building on freehold land and plant & machinery. Cost comprises purchase price, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, and includes other costs directly attributable to the acquisition or construction, erection and installation.

Subsequent costs are included in the asset's carrying amounts or are recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation is charged to statement of profit or loss by applying the reducing balance method except for plant & machinery on which units of production method has been applied so, as to write down the assets over their estimated useful lives at the rates specified in note 5 to these financial statements. The assets' residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year end.

Freehold land, factory and non factory building on freehold land and plant & machinery are revalued by professionally qualified valuers with sufficient regularity to ensure that the net carrying amounts do not differ materially from their fair values.

Any revaluation increase arising on the revaluation of freehold land, factory and non-factory building on freehold land and plant & machinery is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant & equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of freehold land, factory and non-factory building on freehold land and plant & machinery is charged to profit or loss to the extent that it exceeds the balance, if any, held in the "Revaluation surplus on property, plant & equipment" relating to a previous revaluation increase of that asset. The surplus on revaluation in respect of freehold land, factory and non-factory building on freehold land and plant & machinery to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.

Depreciation on additions is charged from the quarter in which the assets become available for use, while no depreciation is charged in the quarter of disposal.

Normal repairs and maintenance are charged to the statement of profit or loss during the period in which they are incurred.



The gain or loss arising on disposal or retirement of an item of property, plant & equipment is determined as the difference between the sale proceeds and the carrying amounts of the asset and is recognised as other income in the statement of profit or loss. In case of the sale or retirement of a revalued property, the attributable revaluation surplus remaining in the surplus on revaluation is transferred to other comprehensive income.

b) Assets acquired under finance lease

The Company accounts for assets acquired under finance lease by recording the asset and the related liability. The amounts are determined on the basis of discounted value of total minimum lease payments and residual value of the assets at the end of the lease period to be paid by the Company.

Financial charges are allocated to accounting periods in a manner so as to provide a constant periodic rate of charge on the outstanding amounts.

Depreciation on fixed assets held under finance lease is charged in a manner consistent with that for depreciable assets which are owned by the Company.

c) Intangible asset and amortisation

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

Amortisation is charged to the statement of profit or loss on the written down basis so as to write off the cost of an asset over its estimated useful life. Amortisation on additions is charged from the month in which an asset is acquired or capitalised while no amortisation is charged for the month in which the asset is disposed off. Amortisation is being charged at the rate disclosed in note 6 to the financial statements.

4.2 Stores, spares and loose tools

These are valued at lower of cost or net realisable value except for items in transit, which are valued at cost comprising invoice value and related expenses incurred thereon upto date of the statement of financial position. Cost is calculated on Weighted average basis. Obsolete and used stores, spares and loose tools are recorded at nil value.

4.3 Stock-in-trade

The basis of valuation has been specified against each:

Finished goods	Lower of cost or net realisable value
Sugar-in-process	Cost of raw material consumed and proportionate manufacturing expenses
Molasses-in-process	Net realisable value
Bagasse	Net realisable value
Compost fertiliser	Net realisable value



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

4.4 Trade debts

Trade debts are carried at original invoice amount being the fair value, less an allowance for uncollectible amounts, if any. The company applies IFRS 9 simplified approach to measure the expected credit losses (ECL) which uses the life time expected loss allowance for trade debts.

4.5 Capital work-in-progress

Capital work-in-progress, if any, is stated at cost less accumulated impairment losses, if any, and represents expenditure on fixed assets in the course of construction and installation and advances for capital expenditure. Transfers are made to the relevant category of tangible / intangible assets as and when the assets are available for intended use.

4.6 Provisions

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

4.7 Impairment

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

4.8 Taxation

Income tax expense comprises of current and deferred tax.

a) Current

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



b) Deferred

Deferred tax is recognised using the statement of financial position liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts appearing in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the temporary differences will reverse in the future and taxable income will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each date of the statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

After the provision for taxation has been made partially under the normal basis and partially under the final tax regime, therefore the deferred tax liability has been recognised on a proportionate basis in accordance with TR 27 issued by the Institute of Chartered Accountants of Pakistan.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted by the statement of financial position date.

4.9 Cash and cash equivalents

Cash and cash equivalents are carried at cost in the statement of financial position. For the purpose of the statement of cash flows, cash and cash equivalents comprise of cash in hand and bank balances.

4.10 Share capital

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds received.

4.11 Subordinated loan from directors

The Company has adopted Technical Release - 32 (Accounting Directors' Loan) issued by the Institute of Chartered Accountants of Pakistan. In accordance with TR- 32, directors' interest free, unsecured loans that are repayable at the discretion of the Company have been accounted for in equity and presented separately as "Directors' / Sponsors subordinated loan".

4.12 Post retirement benefits

a) Defined contribution plan - provident fund

The Company operates a provident fund scheme for its permanent employees. Obligation for contributions to the fund are recognised as an expense in the statement of profit or loss when they are due. A trust has been established and its approval has been obtained from the Commissioner of Income Tax. Monthly contributions are made at the rate of 8.33% of basic salary both by the Company and its employees to the Fund as per the Company's policy.



b) Defined benefit plan - staff gratuity

The Company operates an unfunded gratuity scheme for all of its eligible employees who have completed the minimum qualification period of service. The contribution to the scheme are made in accordance with actuarial valuation using "Projected Unit Credit Method".

4.13 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.

4.14 Loans, advances and deposits

These are stated at cost less estimates made for any doubtful receivables based on a review of all outstanding amounts at the date of statement of financial position. Balances considered bad and irrecoverable are written off when identified.

4.15 Borrowing costs

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

4.16 Contingencies

Contingencies are disclosed when the company has possible obligation that arises from past event and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of entity, or a present obligation that arises from past event but is not recognised because it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligation or, when amount of obligation cannot be measured with sufficient reliability.

4.17 Foreign currency transactions

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities, denominated in foreign currencies, are translated into the functional currency using the exchange rate prevailing on the date of the statement of financial position. Exchange differences arising from the settlement of such transactions, and from the translation of monetary items at the end of the year exchange rates, are charged to the statement of profit or loss.

4.18 Finance lease obligations

Finance lease obligations are accounted for at the net present value of minimum payments under the lease arrangements.



Finance charges under lease arrangements are allocated to periods during the lease term so as to produce a constant periodic rate of financial cost on the remaining balance of principal liability for each period.

4.19 Financial instruments

A financial instrument is any contract that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.20 Financial assets

a) Initial recognition and measurement

Financial assets are classified at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVPL).

The Classification of financial asset at intitial recognition depends on the financial asset contractual cashflow characteristics and the company's business model for managing them. With the exception of trade receivables, the company initially measures financial asset at its fair value plus transaction cost except for fair value through profit and loss. Trade receivables are measured at transaction price determined under IFRS-15.

In order for a financial asset to be classified and measured at amortised cost of FVOCI, it needs to give rise to cash flows that are SPPI on the principal amount outstanding. This assessment is referred to as SPPI test and is performed at an instrument level. The Company's business model for managing assets refers to how it managed its financial asset in order to generate cash flows. The business model determines whether cashflows will result from collecting contractual cashflows, selling the financial assets, or both.

Purchases or sales of financial asset that requires delivery of asset within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e, the date the company commits to purchase or sell the asset.

b) Subsequent measurement

For the purpose of subsequent measurement, the company classifies its financial assets into following categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets designated at fair value through other comprehensive income (FVOCI) with no recycling of cumulative gains and losses upon derecognition (equity insturment) and
- Financial assets at fair value through profit or loss (FVPL)

c) Financial assets at amortised cost (debt instruments)

The company measures financial asset at amortised cost when both the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cashflows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset at amortised cost are subsequently measured using effective interest rate (EIR) method and are subject to impairment. Gain and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

d) Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under IAS 32 Financial instruments: Presentation and are not held for trading. The classification is determined on instrument-by-instrument basis.

Gain and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right to payment has been established. Except when the company benefits from such proceeds as a recovery part of the cost of the financial asset, in which case, such gain is recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

e) Financial assets at FVPL

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in near term. Financial asset with cashflows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces accounting mismatch.

Financial assets at FVPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category also includes derivative instruments and listed equity investments which the company had not irrevocably elected to classify at FVOCI. Dividends on listed equity investments are also recognised in profit or loss when the right of payment has been established. The company has not desnigated any financial asset at FVPL.

f) Derecognition

A financial asset (or where applicable, a part of financial asset or part of a group of similar financial assets) is primarily (i.e., removed from the company statement of financial position) when:



- The right to receive cashflows from the assets have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cashflows in full without material delay to a third party under a pass through arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

4.21 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified as financial liabilities at FVPL, Loans and borrowings, trade payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All Financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction cost.

Subsequent measurement

a) Financial Liabilities at FVPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on abilities held for trading are recognised in profit or loss. Financial liabilities designated upon initial recogniton at fair value through profit or loss are designated at the initial recognition , only if the criteria in IFRS 09 are satisfied. The company has not designated any financial liability as FVPL.

b) Financial Liabilities at amortised cost

After initial recognition, borrowing and payables are subsequently measured at amortised cost using EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Borrowings are classified as current liabilities unless the company has unconditional right to defer the settlement of the liability for at least twelve months after the reporting date. Exchange gains and losses arising in respect of borrowings in foreign currency are added to the carrying amount of borrowing.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When 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 or modification is treated as the derecogniton of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.



4.22 Impairment

4.22.1 Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECL) for all the debt instruments not held at fair value through profit or loss. ECL are based on the difference between the contractual cashflows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cashflows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL is recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within next 12- months (a 12- month ECL). for those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of default (a life time ECL).

For financial assets other than trade debts, the company applies general approach in calculating ECL. It is based on the difference between contractual cashflow due in accordance with the contract and all the cashflows that the company expect to receive discounted at the approximation of the original effective interest rate. The expected cashflows will include cashflows from sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade debts the company applies a simplified approach where applicable in calculating ECL. Therefore the company does not track changes in credit risk, but instead recognise a loss allowance based on lifetime ECL at each reporting date. The company has established a provision matrix for large portfolio customer having similar characteristics and default rates based on the credit rating of customers from which the receivables are due that is based on the company's historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

The company considers a financial asset in default when contractual payments are 90 days over due. However in certain cases, the company may also consider a financial asset to be in default when contractual payments are 90 days past due. However in certain cases, the company may also consider a financial asset to be in default when internal or external information indicates that the company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cashflows.

4.22.2 Impairment of non financial assets

The carrying amounts of the company's non financial assets are reviewed annually to determine whether there is any indication of impairment. If any such indication exist the asset's recoverable amount is estimated and impairment losses are recognised in the profit or loss. The recoverable is the higher of an asset's fair value less cost to disposals and value in use.

4.22.3 Offsetting

Financial assets and liabilities are offset when the company has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset or settle the liability simultaneously.



4.23 Revenue recognition

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable net of discounts and applicable taxes. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing involvement of management with the goods and the amount of revenue can be measured reliably on the following basis:

- Local sales are recognised when goods are lifted by the customer.
- Export sales are recognised when the goods are on board the shipping vessel.
- Dividend income is recognised when the right to receive the dividend is established.
- Interest income is recognised using effective interest method on an accrual basis.
- Government grants relating to export subsidy are recognised when there is a reasonable assurance that the Company will comply with the conditions attached to it and the grant will be received.

4.24 Dividends

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

4.25 Related party transactions

Related party comprises of major shareholders, associated companies with common directorship, directors of the Company, key management personal and their close family members. The Company continues to have a policy whereby transactions with related parties are entered into at commercial terms, approved policy and at rates agreed under a contract / agreement / arrangement.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its Chief Executive Officer, Chief Financial Officer, Directors, Company Secretary and departmental heads to be its key management personnel.

The followings are the related parties of the Company:



Name of related party	Basis of relationship
Dinshaw Real Estate Development Corporation (Private) Limited	Common directorship
Pak Armoring (Private) Limited	Common directorship
Indus Corporation (Private) Limited	Common directorship
Mr. Dinshaw H. Anklesaria	Key management personnel
Mr. Jamil Akberi	Key management personnel
Mr. Abdul Naeem Quraishi	Key management personnel
Mr. Neville Mehta	Key management personnel
Mr. Jamshed Hoshang Anklesaria	Key management personnel
Mr. Shams Ghani	Key management personnel
Mr. Ali Mahmood Khan	Key management personnel
Mr. Muhammad Haroon Arain	Key management personnel

4.26 Off-setting of financial assets and liabilities

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

4.27 Earning per share

The Company presents basic and diluted earnings 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 determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

4.28 Unclaimed dividend

The Company recognised unclaimed dividend which was declared and remained unclaimed that date it was due and payable. The dividend declared and remained unpaid from the date it was due and payable is recognised as unpaid dividend.

	Note	2021		2020	
		..... Rupees in '000'			
5 PROPERTY, PLANT AND EQUIPMENT					
Operating fixed assets	5.1	3,232,714		3,193,721	
Capital work-in-progress	5.4	-		-	
		3,232,714		3,193,721	

5.1 Operating Fixed Assets

PARTICULARS	Cost / revalued amount			RATE %	Depreciation / Impairment			Book Value As At September 30, 2021
	As at Oct 01, 2020	Additions/ (Deletions)	As at Sept 30, 2021		As at Oct 01, 2020	For the year	Disposal	
(Rupees in '000)								
Freehold land	510,900	-	510,900	-	-	-	-	510,900
Factory building	370,174	-	370,174	5	63,559	15,046	78,605	291,569
Non-factory building	330,736	-	330,736	5	155,775	8,586	164,361	166,375
Plant and machinery	2,945,681	93,443	3,039,124	UOP	774,363	27,024	801,387	2,237,737
Office equipment & others	22,073	679	22,752	10	10,992	1,115	12,107	10,645
Furniture and fixtures	9,194	-	9,194	10	6,802	230	7,032	2,162
Vehicles	67,453	(177)	67,276	20	51,150	3,021	(113)	54,058
Tents and Tarpaulins	2,321	-	2,321	33	2,262	17	2,279	42
Tools and tackles	4,343	-	4,343	33	4,250	27	4,277	66
	4,262,874	93,945	4,356,820		1,069,153	55,066	1,124,106	3,232,714

PARTICULARS	Cost / revalued amount			RATE %	Depreciation / Impairment			Book Value As At September 30, 2020
	As at Oct 01, 2019	Additions/ (Deletions)	As at Sept 30, 2020		As at Oct 01, 2019	For the year	As at Sept 30, 2020	
(Rupees in '000)								
Freehold land	510,900	-	510,900	-	-	-	-	510,900
Factory building	370,174	-	370,174	5	47,737	15,822	63,559	306,615
Non-factory building	330,736	-	330,736	5	146,747	9,028	155,775	174,961
Plant and machinery	2,859,715	85,966	2,945,681	UOP	733,410	40,954	774,363	2,171,318
Office equipment & others	21,501	571	22,073	10	9,828	1,163	10,992	11,081
Furniture and fixtures	9,189	6	9,194	10	6,547	255	6,802	2,393
Vehicles	67,453	-	67,453	20	47,437	3,713	51,150	16,303
Tents and Tarpaulins	2,321	-	2,321	33	2,238	24	2,262	59
Tools and tackles	4,343	-	4,343	33	4,212	38	4,250	93
	4,176,330	86,543	4,262,874		998,156	70,997	1,069,153	3,193,721



Note	2021	2020
	Rupees in '000'

5.2 Depreciation for the year has been allocated as follows :

Cost of sales	26.1	42,097	56,814
Administrative expenses	27	12,969	14,183
		<u>55,066</u>	<u>70,997</u>

- 5.3** The latest valuation of the freehold land, factory building, non factory building and plant and machinery as carried out by an independent valuer, MYK Associates Private Limited as at February 23, 2017. According to that valuation, the fair value and forced sale value of the assets were as follows:

	Fair value	Forced sale value
	Rupees in '000'	.....
Free hold land	510,900	434,265
Building - Factory & non-factory	577,578	490,941
Plant & machinery	<u>1,852,000</u>	<u>1,574,200</u>

5.4 Capital work-in-progress

	2021	2020
	Rupees in '000'	.....
Balance as at October 01	-	72,284
Capital expenditure incurred during the year	-	-
Transferred to plant and machinery during the year	-	<u>(72,284)</u>
Balance as at September 30	<u>-</u>	<u>-</u>

- 5.5** Had there been no revaluation, the figures of the revalued assets would have been as follows:

Particulars	2021			2020
	Cost	Accumulated depreciation	Written down value	Written down value
	Rupees in '000'			.....
Free hold land	7,602	-	7,602	7,602
On free hold land				
Factory building	102,973	72,992	29,981	31,559
Non-factory building	20,272	19,146	1,126	1,184
Plant & machinery	<u>1,644,826</u>	<u>820,235</u>	<u>824,591</u>	<u>745,774</u>
	<u><u>1,775,673</u></u>	<u><u>912,373</u></u>	<u><u>863,300</u></u>	<u><u>786,119</u></u>

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	Note	2021	2020
	 Rupees in '000' Rupees in '000'

6 INTANGIBLE ASSET

Computer software	<u>1,478</u>	<u>2,206</u>
6.1 Net carrying amount		
Opening net book value	2,206	3,293
Addition during the year	-	-
Amortisation charged	(728)	(1,087)
Closing net book value	<u>1,478</u>	<u>2,206</u>
Amortisation rate (%)	<u>33%</u>	<u>33%</u>

6.2 The entire amortisation has been allocated to 'Administrative expenses'.

7 LONG TERM LOANS

Secured - considered good

Vehicle loans to employees	7.1	699	941
Less: Current portion of long term loans			
shown under current assets		(196)	(196)
		<u>503</u>	<u>745</u>

7.1 These are interest free loans given to employees for the purchase of vehicles other than directors and executives of the Company. The loan is recoverable in 60 to 84 installments from the date of disbursement and is secured by registration of vehicles in the name of the Company.

8 LONG TERM DEPOSITS

Unsecured - interest free

Utilities	1,273	1,273
Rent	818	818
Others	7	7
	<u>2,098</u>	<u>2,098</u>

9 STORES, SPARES AND LOOSE TOOLS

Stores	19,712	24,540
Spares	56,998	70,960
Loose tools	3,034	3,777
	<u>79,744</u>	<u>99,277</u>



	Note	2021 Rupees in '000'	2020 Rupees in '000'
10 STOCK IN TRADE			
Sugar in process		13,146	5,891
Compost fertilizer in process		38,155	73,414
		<u>51,301</u>	<u>79,304</u>
11 TRADE DEBTS			
Considered good-Unsecured		353,094	363,911
Provision for Expected Credit Losses	11.2	(174,047)	(71,78)
		<u>179,047</u>	<u>356,733</u>
11.1 Aging analysis of trade debts:			
Less than one year		-	-
Above one year		353,094	363,911
		<u>353,094</u>	<u>363,911</u>
11.2 Movement of allowance of expected credit losses of trade receivable			
Balance as at 1st October 2020		7,178	-
Impairment charge for the year		166,869	7,178
Amounts written off		-	-
Balance as at 30th September 2021		<u>174,047</u>	<u>7,178</u>
12 LOANS AND ADVANCES			
Current portion of vehicle loans	7	196	196
Unsecured considered good			
Loan to growers		9,829	5,774
Advance to suppliers and contractors		36,538	35,275
Advance against expenses		2,745	3,066
Advance against salaries		1,526	1,353
		<u>50,638</u>	<u>45,468</u>
		<u>50,834</u>	<u>45,664</u>
Considered Doubtful			
Loan to growers		9,506	9,506
Advance to supplier, contractors & others		17,473	17,473
Less: Provision for doubtful advances		26,979	26,979
		<u>(26,979)</u>	<u>(26,979)</u>
		<u>50,834</u>	<u>45,664</u>

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	Note	2021 Rupees in '000'	2020 Rupees in '000'
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13 PREPAYMENTS AND OTHER RECEIVABLES

Prepayments		512	620
Government subsidy receivable on export of sugar	13.1	36,624	36,624
Sales tax	13.2	6,465	6,465
Other receivables		1,389	1,309
		<u>44,990</u>	<u>45,018</u>

13.1 This represents export subsidy on export of sugar as announced by the federal and provincial governments of Pakistan.

13.2 This represents the amount of sales tax paid by the Company in the year ended 2001 against the demand raised by the collectorate of sales tax. The Company had adjusted further sales tax paid earlier by it on its sales against the output tax on its subsequent sales following the judgment of High Court of Sindh on the issue declaring further tax charge as unlawful. The Company's suit for the recovery of the same is pending in the High Court of Sindh.

	Note	2021 Rupees in '000'	2020 Rupees in '000'
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14 CASH AND BANK BALANCES

Cash in hand		487	205
Cash at banks:			
in current accounts		23,370	28,123
in saving accounts		10	10
		<u>23,380</u>	<u>28,133</u>
		<u>23,867</u>	<u>28,337</u>

15 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2021	2020	Number of shares	2021	2020	Rupees in '000'
16,900,000	16,900,000	Fully paid ordinary shares of Rs.10 each issued for cash	169,000	169,000	
5,408,000	5,408,000	Fully paid ordinary shares of Rs.10 each issued as bonus shares	54,080	54,080	
22,308,000	22,308,000	Fully paid ordinary shares of Rs.10 each issued as right shares	223,080	223,080	
<u>44,616,000</u>	<u>44,616,000</u>		<u>446,160</u>	<u>446,160</u>	



2021 **2020**
..... Rupees in '000'

16 SURPLUS ON REVALUATION OF FIXED ASSETS

As at October 01	2,377,429	2,404,306
Transferred to retained earnings in respect of incremental depreciation charged during the year- net of deferred tax	(24,419)	(19,083)
Relevant deferred tax	(9,974)	(7,795)
	<u>(34,393)</u>	<u>(26,878)</u>
As at September 30	<u>2,343,036</u>	<u>2,377,429</u>
As at October 01	689,454	635,634
Adjustments due to deferred tax reversal	(145,956)	61,614
Reversal on incremental depreciation charged during the year	(9,974)	(7,795)
Related deferred tax on revaluation surplus	<u>533,524</u>	<u>689,454</u>
As at September 30	<u><u>1,809,512</u></u>	<u><u>1,687,975</u></u>

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

17 DIRECTORS'/ SPONSORS' SUBORDINATED LOANS

These represent unsecured, interest free loan which are repayable at the discretion of the Company. These loans are also subordinated to syndicated long-term financing facility (SLTFF). The Company's agreement with the syndicate stipulates that the financing availed by the Company are to be extinguished in full before any payment is made against the subordinated loans as disclosed in note 19.2.

18 DEFERRED TAXATION

Deferred Tax arises due to following elements:

Deferred tax liability arises due to :

Accelerated depreciation	162,544
Surplus on revaluation of property, plant & equipment	533,524

696,068	145,254
689,454	689,454
834,709	

Deferred tax asset arises due to :

Loans & advances	-
Impairment loss on trade debts	58,297
Provision for staff gratuity	4,505
Carried forward tax losses, minimum taxes and tax credits	620,505
	<u>(683,308)</u>

7,824	2,082
2,082	4,829
4,829	508,728
508,728	(523,463)
(523,463)	311,246

Deferred tax liability

12,760



2021
2020
..... Rupees in '000'

19 LONG TERM FINANCING - SECURED

Particulars	NBP DF	SMBL SLTFF	September 2021	September 2020
..... Rupees in '000'				
Opening balance	15,000	901,988	916,988	969,167
Unwinding of charges	-	7,103	7,103	1,776
	15,000	909,091	924,091	970,943
Repaid during the year	-	-	-	(53,955)
	15,000	909,091	924,091	916,988
Overdue installments	(15,000)	(363,636)	(378,636)	(196,818)
Current portion	-	(545,455)	(545,455)	(181,818)
Closing liability as at September 30	-	-	-	538,352
	19.1	19.2		

19.1 National Bank of Pakistan-DF

This represents long-term finance facility obtained by the Company from a commercial bank. This facility was created by conversion of short-term running finance facility as a result of restructuring agreement reached between the Bank and the Company dated June 12, 2017. This facility carries mark-up at the rate of 3 months KIBOR + 2.5% p.a. The principal amount and mark-up thereon is repayable in 11 quarterly equal installments effective from the date of agreement. This facility is secured by way of first pari passu hypothecation charge over plant & machinery, first equitable mortgage over land and buildings thereon and personal guarantees of all the directors of the Company.

19.2 Syndicated long term finance facility (SLTFF)

This represent long-term finance facility obtained by the Company from syndicate of Summit Bank Limited and Sindh Bank Limited (the Banks) for working capital purpose amounting to Rs. 1,000 million. This carries mark-up at the rate of 3 months KIBOR plus 3% (2019: KIBOR plus 3%) per annum payable quarterly. The principal amount is repayable in 22 equal quarterly installments after 18 months grace period.

This facility is secured by way of pari passu hypothecation charge over all present and future fixed assets of the Company, first pari passu charge over immovable property, lien on current assets and personal guarantees of all sponsors / directors of the Company along with subordinated loan agreements.



		Note	2021 Rupees in '000'	2020 Rupees in '000'
20	DEFERRED LIABILITIES			
	Quality premium	20.1	56,461	56,461
	Gratuity	20.2	<u>15,535</u>	<u>16,651</u>
			<u><u>71,996</u></u>	<u><u>73,112</u></u>

20.1 Subsequent to the verdict issued by the Honorable Supreme Court of Pakistan (SCP) dated March 03, 2018 relating to quality premium, the Company based on advice from its legal advisor has taken the position that since no valid notification for quality premium under section 16(v) of the Sugar Factories Control Act, 1950 could have been issued by the Provincial Government, no liability for the payment of quality premium has arisen between the crushing season 1998-1999 till the date of the decree. The Company has also considered additional payments made to the cane grower over and above minimum support price fixed by the Provincial Government which are considered to be inclusive of quality premium. However, as a matter of prudence, the Company carries full provision in respect of quality premium payable pertaining to years 2003 and 2004 in these financial statements.

20.2 Staff gratuity

Contributions to the fund are made based on actuarial recommendations. The last actuarial valuation was carried out as at September 30, 2021 using the Projected Unit Credit Method.

20.2.1 Changes in defined benefit liabilities are:

Opening defined benefit obligation		16,651	22,540
Expense for the year / current service cost		607	723
Interest cost		1,527	2,797
Actuarial Gains	20.2.4	(1,269)	(9,074)
Benefits due but not paid		(1,981)	(335)
Benefit paid by the Company		-	-
Closing defined benefit obligation		<u>15,535</u>	<u>16,651</u>

20.2.2 Liability for gratuity arose in the following manner:

Opening net liability		16,651	22,540
Expense for the year		2,134	3,519
Benefit payable		(1,981)	(335)
Other comprehensive expense		(1,269)	(9,074)
Closing net liability		<u>15,535</u>	<u>16,651</u>



20.2.3 Principal actuarial assumptions used in the actuarial valuation:

The "Projected Unit Credit Method" using the following significant assumptions was used for the valuation of the scheme

	2021	2020
	%	%
Discount rate used for interest cost	9.75%	12.50%
Discount rate used for year end obligation	10.50%	9.75%
Salary increase rate - long term	10.50%	9.75%
Salary increase rate - short term	10.50%	9.75%
Demographic assumptions		
Mortality rates	SLIC 2001-2005	SLIC 2001-2005

20.2.4 Remeasurement recognised in OCI during the year:

Actuarial (gains)/losses from changes in demographic assumptions	-	-
Actuarial (gains)/losses from changes in financial assumptions	13	(51)
Experience adjustments	<u>(1,281)</u>	<u>(9,022)</u>
Remeasurement loss / (gain) on defined benefit obligation	<u><u>(1,269)</u></u>	<u><u>(9,074)</u></u>

The weighted average number of years of defined benefit obligation is given below:

Plan duration	Years
September 30, 2021	7
September 30, 2020	7

The calculation of defined benefit obligation is sensitive to assumptions set out above. The following table summarizes how the impact on the defined benefit obligation at the end of the reporting period would have increased/ (decreased) as a result of a change in respective assumptions by one percent.

	Effect of 1 Percent increase	Effect of 1 Percent decrease
	..... Rupees in '000'	
<u>2021</u>		
Discount rate	14,513	16,679
Future salary growth	16,685	14,488
<u>2020</u>		
Discount rate	15,515	17,930
Future salary growth	17,937	15,488



The above sensitivity analyses are based on the changes in assumptions while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of defined benefit obligation to significant assumptions the same method (present value of the defined benefit obligation calculated with the projected credit unit method at the end of the reporting period) has been applied when calculating the liability recognized within the statement of financial position.

The defined benefit obligation exposes the Company to the following risks:

Final salary risks:

The risk that the final salary at the time of cessation of service is greater than what was assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Mortality risks:

The risk that the actual mortality experience is different. Similar to the withdrawal risk, the effect depends on the beneficiaries' service / age distribution and the benefit.

Withdrawal risks:

The risk of higher or lower withdrawal experience than assumed. The final effect could go either way depending on the beneficiaries' service / age distribution and the benefit.

21. TRADE AND OTHER PAYABLES

	Note	2021 Rupees in '000'	2020 Rupees in '000'
Trade payables			
Sugar cane and others		159,336	142,213
Accrued expenses		50,538	62,290
Other payables			
Advance from customers		329,777	380,434
Sales Tax and Excise duty payable		598,854	388,790
Payable to FBR in respect of dividend distribution		4,747	4,747
Payable to central zakat fund in respect of dividend distribution		757	757
Workers' welfare fund		15,232	15,232
Workers' profit participation fund		50,390	37,318
Others		52,903	39,990
		<u>1,052,660</u>	<u>867,268</u>
		<u>1,262,534</u>	<u>1,071,771</u>

22. ACCRUED MARK UP

National Bank of Pakistan - Demand finance	3,859	2,375
Syndicate Long Term Finance	265,452	152,739
	<u>269,311</u>	<u>155,114</u>

23. TAXATION - NET

Advance tax	(101,016)	(94,719)
Less: Provision for taxation	164,488	144,892
	<u>63,472</u>	<u>50,174</u>



24. CONTINGENCIES AND COMMITMENTS

Contingencies

- 24.1** The Company filed Constitution Petition (CP) No. D-2123/2011 against Commissioner Inland Revenue in the Sindh High Court challenging the validity and legality of section 3A of the Federal Excise Act, 2005 and SRO 655(1)/2007 dated July 29, 2007 which, in a judgement dated February 22, 2013 was decided in favor of the Company. Aggrieved by the judgement of the Sindh High Court, the Commissioner Inland Revenue constituted Civil Petition for Leave to Appeal (CPLA) No. 750 of 2013 in the Honorable Supreme Court of Pakistan which is currently pending. The management and the legal advisors of the Company are confident that the matter will eventually be decided in favour of the Company and the judgment passed by Sindh High Court in this respect will be upheld.
- 24.2** Appeals were instituted by the Company before Appellate Tribunal, Karachi, against Order-in-Original No. 26 of 2006 dated September 30, 2006 and Order-in-Original No. 62 of 2006 dated September 30, 2006 passed by Additional Collector (Customs, Central Excise and Sales Tax) Hyderabad, whereby a demand of further tax of Rs. 5.917 million was established. The Appellate Tribunal decided the case in favour of the Company in orders dated April 04, 2008, however, being aggrieved by the decisions, Civil Appeals No. 938 of 2011 and 939 of 2011 were filed in Sindh High Court which were dismissed and as a result CPLA No. 85 of 2009 and CPLA No. 86 of 2009 were instituted before Honorable Supreme Court of Pakistan by the department. These CPLAs were subsequently disposed off in a judgment dated February 06, 2012 and remanded back to Sindh High Court which is currently pending adjudication. The management and the legal advisors of the Company are confident about the favorable outcome of the above matters, therefore, no provisions in this respect are made in these financial statements.
- 24.3** The Company along with other sugar mills (Petitioners) has filed Constitution Petition (CP) No. 230 of 2014 challenging certain provisions of prevailing sugar sectors regulatory regime including the fixation of the minimum price of sugarcane and a linked corresponding minimum price of refined sugar, which is currently pending before the Honorable High Court of Sindh. The legal advisors of the Company are confident about the favorable outcome of this matter, therefore, no provisions in this respect are made in these financial statements.
- 24.4** The Commissioner Inland Revenue Zone II, LTO selected the case of the company for tax years 2015, 2016, 2017, 2018 and 2019 for audit under section 177(1) of the Income Tax Ordinance, 2001 (hereinafter referred to as the Ordinance, 2001). The Assistant / Deputy Commissioner (Audit-I) Inland Revenue, after proceedings, passed orders under Section 122(1) of the Ordinance, 2001, of identical nature resulting in demand aggregating to Rs. 15.408 Billion. Similar approach was adopted while framing the assessment orders of other sugar mills in the province of Sindh.



The Company filed appeals against the orders and demand for the aforesaid years before the Commissioner (Appeals) Inland Revenue, wherein the orders were confirmed by the forum, thereafter the Company filed appeal before the Appellate Tribunal Inland Revenue against the decision of the Commissioner (Appeals) and is pending before the forum. The company meanwhile has obtained stay from recovery of tax demanded in the respective years from Honorable High Court of Sindh.

"In the opinion of the tax advisor of the Company, the above assessments have been framed on frivolous and flimsy grounds without applying judicial mind and without due process of law. The Company, therefore, based on the opinion of its legal counsel, has not made any provision in these financial statements against the above orders and demands."

24.5 The Competition Commission of Pakistan (CCP) in August 2021 passed an orders dated 13 August 2021 and imposed penalty on PSMA and member sugar mills alleging them to be guilty of collusive activities and cartelization. The penalty imposed on the Company is Rs. 169 million. The PSMA and our Company along with other sugar mills filed the Suit against the order of the Competition Commission of Pakistan (CCP) at Honorable High Court of Sindh. The Honorable Court passed the interim order on October 7, 2021 that the operation of orders dated 06.08.2021 and 13.08.2021 shall remain suspended till the hearing is underway.

In the opinion of the legal advisor of the Company, based on merit the final outcome of aforesaid suit is expected to be in favor of the Company. The Company, therefore, based on the opinion of its legal advisor, has not made any provision in these financial statements against the above order.

24.6 Through Constitutional Petition no. 5564 of 2021, the Company has sought directions from the Honorable High Court against the Government of Sindh in respect of approval, settlement and release of the pending claims of the Company in respect of freight support / export subsidy on export of sugar. The Company exported 6,547MT of sugar in the Financial Year ending September 30, 2018 and is therefore entitled to receive the respective share from the Provincial Government.

24.7 Contingencies in respect of quality premium has been disclosed in note 20.1 to the financial statements.

24.8 Comments

There is no capital commitment existed at the year end.

25 SALES-Net

Sugar	1,517,943	2,052,788
Molasses	234,425	217,797
Bagasse	-	4,100
Compost fertilizer	82,875	-
	1,835,243	2,274,685
Less: Sales tax	(220,717)	(307,857)
	<u>1,614,526</u>	<u>1,966,828</u>

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	Note	2021 Rupees in '000'	2020 Rupees in '000'
26 COST OF GOODS SOLD			
Sugarcane consumed		1,361,233	2,166,025
Manufacturing expenses	26.1	<u>272,779</u>	<u>289,589</u>
		1,634,012	2,455,615
Sugar in process			
Opening		5,891	3,887
Closing		(13,146)	(5,891)
		(7,255)	(2,003)
Finished goods			
Opening		-	21
Closing		-	-
		-	21
Molasses			
Opening		-	-
Closing		-	-
		-	-
Baggase			
Opening		-	1,045
Closing		-	-
		-	1,045
Compost fertilizer in process			
Opening		73,414	44,239
Closing		(38,155)	(73,414)
		35,259	(29,174)
		<u>1,662,016</u>	<u>2,425,503</u>

26.1 Manufacturing expenses

Salaries, wages and other benefits	26.1.1	103,201	92,368
Stores and spares consumed		38,317	51,395
Fuel and power		26,850	30,495
Repairs and maintenance		50,867	46,387
Vehicle maintenance		2,765	1,803
Insurance		3,713	4,223
Depreciation	5.2	42,097	56,814
Bagasse, mud, ash handling and others		4,969	6,106
		<u>272,779</u>	<u>289,589</u>

26.1.1 This includes Rs.1.387 (2020: Rs. 2.288) in respect of staff gratuity and Rs. 1.824 (2020: 1.822) million in respect of contribution to staff provident fund.



	Note	2021 Rupees in '000'	2020
27 ADMINISTRATIVE EXPENSES			
Salaries and other benefits	27.1	61,997	61,090
Rent, rates and taxes		5,110	5,706
Insurance		2,400	2,740
Water, gas and electricity		2,812	1,082
Printing and stationery		1,566	1,650
Postage, telephone, telegrams and telex		1,035	832
Vehicle maintenance		4,456	4,085
Repairs and maintenance		2,954	2,600
Traveling and conveyance		770	265
Fee and subscription		2,055	1,295
Legal and professional		7,084	2,926
Auditors' remuneration	27.2	1,996	1,206
Loss allowance for expected credit loss		166,869	7,178
Entertainment		2,195	1,867
Computer maintenance		2,914	4,546
Charity and donation	27.3	22	73
Depreciation	5.2	12,969	14,183
Amortisation		728	1,087
Advertisement		115	77
Newspaper, books and periodicals		5	5
Others		731	1,255
		280,783	115,749

27.1 This includes Rs. 0.747 (2020: 1.232) million in respect of staff gratuity and Rs.0.201 (2020: 0.602) million in respect of contribution to staff provident fund.

27.2 Auditors' remuneration comprises of :

Statutory audit fees	1,140	760
Half yearly review	570	339
Other Certifications	101	-
Out of pocket expenses	185	107
	1,996	1,206

27.3 No donation were made to any donee in which any director or his spouse had any interest at any time during the year.

28 SELLING AND DISTRIBUTION COST

Loading and stacking	4,449	5,402
Sampling charges	257	90
	4,706	5,492



	Note	2021 Rupees in '000'	2020 Rupees in '000'
29 FINANCE COST			
Mark-up on long term financing		121,300	161,896
Bank charges		77	216
		121,377	162,112
30 OTHER CHARGES			
Provision for Default surcharge and penalty - Others		25,000	-
Provision for Default surcharge and penalty - Sindh workers' profit participation fund		13,072	-
		38,072	-
31 OTHER INCOME / (LOSS)			
Bank profit		-	92
Loss on sale of fixed assets		(13)	-
		(13)	92
32 TAXATION			
Current		19,596	25,217
Deferred		(152,530)	(167,907)
		(132,934)	(142,690)
32.1 Relationship Between profit and tax expense			
Accounting Profit		(492,441)	(741,936)
Tax rate		29%	29%
		(142,808)	(215,161)
Adjustment for previous losses		9,874	72,471
Actual Expense		(132,934)	(142,690)

32.2 Income tax assessments of the Company have been completed up to the tax year 2021 (accounting year ended September 30, 2020) which are deemed to have been assessed under section 120 of the Income Tax Ordinance, 2001.



	Note	2021	2020
33 EARNING/(LOSS) PER SHARE - BASIC AND DILUTED			
Loss for the year (Rupees in 000'')		(359,507)	(599,246)
Weighted average number of ordinary shares (in 000'')		<u>44,616</u>	<u>44,616</u>
Loss per share		<u>(8.06)</u>	<u>(13.43)</u>
33.1 There is no dilutive effect on the basic earnings/(loss) of the Company.			
34 CASH GENERATED FROM OPERATIONS	Note	2021	2020
		..... Rupees in '000'	
Profit before taxation		(492,441)	(741,936)
Adjustments for non cash charges and other items :			
Depreciation		55,066	70,997
Amortization		728	1,087
Finance cost		121,377	162,112
Provision for bad debts		166,869	-
Loss on sale of fixed assets		13	-
Provision for gratuity		1,269	9,074
		345,322	243,270
Working capital changes			
Change in current assets			
Stores, spares and loose tools		19,533	(37,698)
Stock in trade		28,003	(30,112)
Trade debts		10,817	488,828
Loans and advances		(5,170)	(16,222)
Prepayments and other receivables		27	1,393
		53,210	406,188
Change in current liabilities			
Trade and other payables		189,647	236,719
Cash generated from operations		<u>95,738</u>	<u>144,241</u>

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	Note	2021	2020
35 PLANT CAPACITY AND PRODUCTION			
Installed Production Capacity-Metric ton		86,400	86,400
Duration of Season-Days		115	116
Actual Production-Metric ton		19,453	30,123
Actual Crushing-Days		71	97
% of capacity attained		23%	35%

36 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks i.e. market risk, credit risk and liquidity risk. The risk is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the management. The Board of Directors supervises the overall risk management approach within the Company.

36.1 Market risk

Market risk is the risk that the value of financial instrument may fluctuate as a result of changes in market interest rates, foreign exchange rates or the equity prices due to change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. There has been no change in the company's exposure to market risk or the manner in which this risk is managed. Under market risk the company is exposed to interest rate risk, currency risk and equity price risk.

36.2 Interest rate risk

This represents the risk that the fair value or future cash flows of financial instrument will fluctuate because of change in market interest rates. As of September 30, 2021, the Company is exposed to such risk mainly in respect of long-term financing.

Management of the Company estimates that 1% increase in the market interest rate, with all other factors remaining constant, would decrease the Company's profit by Rs. 9.24 million (2020: Rs. 9.17 million) and a 1% decrease would result in an increase in the Company's profit by the same amount. However, in practice, the actual results may differ from the sensitive analysis. This analysis is prepared assuming that all other variables held constant and the amount of net liabilities outstanding as at the date of statement of financial position.

36.3 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of the changes in foreign exchange rates. The Company is not exposed to foreign currency risk as at September 30, 2021 due to the fact that neither of the assets or liabilities are dominated in foreign currencies.



36.4 Equity risk

Equity risk is the risk of volatility in share prices resulting from their dependence on market sentiments, speculative activities, supply and demand for shares and liquidity in the market. As of September 30, 2021, the Company is not exposed to equity price risk.

36.5 Credit risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties.

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The maximum exposure to credit risk at the reporting date is:

	Note	2021	2020
		..... Rupees in '000'	
Long-term deposits		2,098	2,098
Trade debts		179,047	356,733
Loan, advances and other receivables		47,952	42,554
Bank balances		<u>23,380</u>	<u>28,133</u>
		<u><u>252,477</u></u>	<u><u>429,518</u></u>

Trade debts

All the trade debts at the statement of financial position date represent domestic parties. The maximum exposure to credit risk before any credit enhancements and provisions for trade debts at the reporting date by division is:

Compost fertilizer (net of provisions)	174,046	351,732
Others	<u>5,001</u>	<u>5,001</u>
	<u><u>179,047</u></u>	<u><u>356,733</u></u>

The aging of trade receivable at the reporting date is:

Past due 2 years	<u>179,047</u>	<u>356,733</u>
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The Company has made adequate provision of Rs. 174.0 million for receivables since it is likely that the same is not to be received and for rest of the receivables, the Company considers the amount to be fully recoverable and therefore, no further provision has been made.

Quality of financial assets

The credit quality of financial assets that are neither past nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rates as follows:



Name of banks	Ratings			2021	2020
	Short-term	Long-term	Agency	..... Rupees in '000'	
National Bank of Pakistan	A-1+	AAA	PACRA	623	623
Allied Bank Limited	A-1+	AAA	PACRA	671	671
Askari Bank Limited	A-1+	AA+	PACRA	4	4
Habib Bank Limited	A-1+	AAA	VIS	249	240
Sindh Bank Limited	A-1	A+	VIS	129	142
Summit Bank Limited	A-3	BBB-	VIS	194	198
United Bank Limited	A-1+	AAA	VIS	357	861
MCB Bank Limited	A-1+	AAA	PACRA	161	74
Soneri Bank Limited	A-1+	AA-	PACRA	7	5,082
Meezan Bank Limited	A-1+	AAA	VIS	4	51
Al-Baraka Bank	A-1	A	PACRA	8	8
Bank- Al Falah	A-1+	AA+	VIS	27	88
Bank Al Habib Limited	A-1+	AAA	PACRA	20,946	20,091
				23,380	28,133

36.6 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company attempts to follow effective cash management and planning policy to ensure the availability of funds through committed credit facilities. The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	On demand	Less than one year	1 to 5 Years	Total
-----Rupees in '000'-----				
Long term financing - secured	-	-	-	-
Deferred liabilities	-	-	71,996	71,996
Trade and other payables	669,980	592,554		1,262,534
current maturity of long-term financing	924,091	-	-	924,091
Unclaimed dividend	6,198	-	-	6,198
Unpaid dividend	68	-	-	68
Taxation - net	-	63,472	-	63,472
Accrued mark-up	269,311	-	-	269,311
September 30, 2021	1,869,648	656,026	71,996	2,597,670

	On demand	Less than one year	1 to 5 Years	Total
-----Rupees in '000'-----				
Long term financing - secured	-	-	538,352	538,352
Deferred liabilities	-	-	73,112	73,112
Trade and other payables	454,861	244,493	380,434	1,079,788
current maturity of long-term financing	-	378,636	-	378,636
Unclaimed dividend	6,198	-	-	6,198
Unpaid dividend	72	-	-	72
Taxation - net	-	50,174	-	50,174
Accrued mark-up	-	155,114	-	155,114
September 30, 2020	461,131	828,417	991,898	2,281,446



Effective interest/mark-up rates for the financial liabilities are mentioned in the respective notes to the financial statements.

36.7 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the 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 estimated fair value of all financial assets and liabilities is considered not significantly different from book values as the items are either short-term in nature or repriced periodically.

Certain property, plant and equipment of the Company was valued by independent valuer to determine the fair value of property, plant and equipment as at February 23, 2017. The revaluation surplus was credited to other comprehensive income and is shown as 'surplus on revaluation of property, plant and equipment'. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active market for identical assets/ liabilities.

Level 2: 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 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Level 2 fair value of revalued property, plant and equipment has been derived using the current market price or depreciated replacement cost method. Sales prices of comparable property, plant and equipment in identical circumstances or close proximity are adjusted for differences in key attributes such as property size, structure, location, capacity etc. The most significant inputs into this valuation approach are price per marla, price per square feet, depreciated replacement cost etc.

36.8 Capital risk management

The Company finances its operations through equity, borrowings and management of working capital with a view of maintaining an appropriate mix between various sources of finance to minimise risk. The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business, sustain future development of the business and maximise shareholders value. The Company monitors capital using a debt equity ratio as follows:

Note	2021	2020
	..... Rupees in '000'	
Long term financing - secured	-	538,352
Current maturity of long-term financing	924,091	378,636
Total debt	924,091	916,988
Total equity	1,056,147	1,268,428
Total debt and equity	1,980,238	2,185,416
Gearing ratio	47%	42%

37 REMUNERATION OF THE CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for the year for remuneration, including all benefits to the executives of the Company are as follows:

	2021			2020		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
..... Rupees in '000'						
Remuneration	-	2,834	11,578	-	10,274	7,171
Perquisites						
Conveyance	-	76	439	-	313	250
Telephone	-	-	54	-	-	-
Medical	-	-	122	-	-	-
Bonus	-	-	-	-	-	-
Leave encashment	-	-	-	-	-	-
Company's contribution to PF	-		115	-	286	79
Others	-	-	-	-	-	24
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,910	12,308		10,873	7,524	
Number of person(s)	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1	1	3	1	1	2

- 37.1 No remuneration has been paid by the Company to its chief executive officer or non-executive directors during the year.

38 TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties, other than those disclosed elsewhere in the financial statements are as under:

2021	2020
..... Rupees in '000' .....	..... Rupees in '000'

Directors and sponsors

Remuneration paid	2,910	10,873
-------------------	-------	--------

39 INVESTMENTS MADE BY THE PROVIDENT FUND

The investments out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

40 OPERATING SEGMENTS

These financial statements have been prepared on the basis of single reportable segment.

- 40.1 All sales of the company comprises of sugar and its other By-products.
- 40.2 All non-current assets of the Company as at September 30, 2021 are located in Pakistan.



41 NUMBER OF EMPLOYEES

The total number of employees as at year end and average number of employees during the year are as follows:

	2021	2020
Total number of employees as at reporting date	193	196
Total number of factory employees as at reporting date	180	182
Average number of employees during the year	197	199
Average number of factory employees during the year	184	193

42 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation.

43 AUTHORISATION FOR ISSUE

These financial statements were approved on August 03, 2022 by the board of directors of the Company.

44 GENERAL

Figures in these financial statements have been rounded off to the nearest thousand rupees, unless otherwise stated.

Dinshaw H. Anklesaria
Chief Executive Officer

Shams Ghani
Chief Financial Officer

Saleem Zamindar
Director



SIX YEARS' REVIEW AT A GLANCE

FINANCIAL RESULTS	2021	2020	2019	2018	2017	2016
.....(Rs. in 000).....						
Sales	1,614,526	1,966,828	3,387,534	1,821,745	2,347,921	1,528,012
Gross (loss) / profit	(47,490)	(458,675)	510,301	503,547	4,524	(175,109)
Operating profit/(loss)	(332,979)	(579,916)	398,594	400,543	(77,309)	(436,155)
Profit/ (loss) before taxation	(492,441)	(741,936)	223,350	388,077	223,947	(458,799)
Profit/(loss) after taxation	(359,507)	(599,246)	156,649	268,232	197,260	(226,544)
Accumulated loss for the year	(1,292,292)	(958,473)	(387,383)	(566,148)	(824,289)	(1,045,626)
OPERATING RESULTS	2021	2020	2019	2018	2017	2016
Sugarcane crushed (tonnes)	205,968	312,129	335,136	367,222	459,573	296,274
Sugar recovery(%)	9.445	9.677	11.00	10.80	9.22	10.09
Sugar produced(tonnes)	19,453	30,123	36,865	39,660	42,320	29,925
Molasses recovery(%)	4.90	6.48	5.08	5.50	4.25	4.16
Molasses produced(tonnes)	10,093	22,040	19,435	26,047	19,530	12,354
Operating period(days)	115	116	113	148	121	99
ASSETS EMPLOYED	2021	2020	2019	2018	2017	2016
					(Restated)	(Restated)
.....(Rs. in 000).....						
Fixed capital expenditure	3,234,192	3,195,928	3,253,753	3,104,279	2,936,016	2,347,815
Long term loans and deposits	2,601	2,842	2,842	2,421	1,970	1,589
Investments	-	-	-	-	178,590	158,715
Current assets	429,783	662,350	1,042,735	814,545	512,992	103,997
Total assets employed	3,666,576	3,861,120	4,299,330	3,940,672	3,629,568	2,612,116
FINANCED BY	2021	2020	2019	2018	2017	2016
					(Restated)	(Restated)
.....(Rs. in 000).....						
Shareholders' equity	(846,132)	(512,313)	58,777	(119,988)	(378,129)	(822,544)
Revaluation on fixed assets	1,809,512	1,687,975	1,768,672	1,789,432	1,811,584	1,339,697
Subordinate loan from directors	92,767	92,767	92,767	92,767	92,767	65,767
Long term liabilities	-	538,352	763,849	921,937	676,407	234,163
Deferred liabilities	84,756	384,358	496,540	454,732	391,118	260,409
Current liabilities	2,525,674	1,669,982	1,118,726	801,792	1,035,821	1,534,624
Total funds invested	3,666,576	3,861,120	4,299,330	3,940,672	3,629,568	2,612,116
Break-up value per share (Rupees)	(18.96)	(11.48)	1.32	(2.69)	(8.48)	(36.87)
Earnings/(Loss) per share (Rupees)	(8.06)	(13.43)	3.51	6.01	5.94	(10.16)



SAKRAND SUGAR MILLS LIMITED
41-K, Block 6, P.E.C.H.S.Karachi-75000

FORM OF PROXY

The Company Secretary
SAKRAND SUGAR MILLS LIMITED
41-K, Block 6, P.E.C.H.S.
Karachi-75000

I / We _____
of _____

being a Member(s) of Sakrand Sugar Mills Limited hereby appoint _____

Name (Folio / CDC A/c No.)

or failing him/her, _____
Name (Folio / CDC A/c No.)

who is also a Member of the Company, as my/our Proxy to attend , act and vote for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company to be held on Wednesday, September 14, 2022 at 03:30 p.m. in Beach Luxury Hotel, Moulvi Tamizuddin Khan Road, Karachi, and at any adjournment thereof:

As witnessed given under my/our hand(s) _____ day of _____, 2022.

1. Witness: _____
Signature: _____
Name: _____
CNIC No. _____
Address: _____

**AFFIX REVENUE STAMP
OF Rs.10/-**

**SIGNATURE OF MEMBER /
ATTORNEY**

2. Witness: _____
Signature: _____
Name: _____
CNIC No. _____
Address: _____

SHARE HELD : _____

Folio No.	CDC Account No.	
	Participant ID	Account No.

NOTES :

CNIC No. - - -

1. Proxies, in order to be effective, must be received at the Company's Registered Office, not less than 48 hours before the time for holding the meeting and must be duly stamped, signed and witnessed. Proxy must be a member of the company (Sakrand Sugar Mills Limited).
2. CDC Shareholders, entitled to attend, speak and vote at this meeting, must bring with them their Computerized National Identity Cards (CNIC) /Passports in original to prove his/her identity, and in case of Proxy, must enclose copy of his/her CNIC or Passport.
3. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee should be attached with the proxy form.

پرائیسی فارم

سکرنڈ شوگر ملز لمبیٹر

K-41، بلاک 6، پی۔ ای۔ سی۔ ایچ۔ ایس، کراچی، پاکستان۔

تشکیل نیابت داری (پرائیسی فارم)

میں اہم

ساکن

بجیت حصہ دار سکرنڈ شوگر ملز لمبیٹر

نام (فویوی ذی اکاؤنٹ نمبر)

یا بصورت دیگر

نام (فویوی ذی اکاؤنٹ نمبر)

ساکن کو اپنی جگہ بروز بدھ 14 ستمبر 2022 کو

بوقت 03:03 بجے دن، بیچ لگڑری ہوئی، مولوی تمیز الدین خان روڈ، کراچی، پاکستان، میں منعقد یا ملتوی ہونے والے سالانہ عام اجلاس میں شرکت کرنے بولے اور ووٹ دینے کے لیے اپنا نمائندہ مقرر کرتا کرتی ہوں۔

بطور گواہ میرے / ہمارے دستخط سے مورخ 2022 کو دی گئی۔

۱۰
اروپی کار سیدی ٹکٹ
چسپاں کر کے دستخط کریں

۱۔ گواہ

دستخط

نام

شناختی کارڈ نمبر

پتہ

دستخط
(کمرہ / مجاز افسر)

حامل عام حصہ

۲۔ گواہ

دستخط

نام

شناختی کارڈ نمبر

پتہ

فول نمبر	سی ڈی سی اکاؤنٹ نمبر
شراکتی آئی ڈی	اکاؤنٹ نمبر

کمپیوٹرائزڈ شناختی کارڈ نمبر

نوٹ:

(۱) موثر اعلیٰ ہونے کے لیے پرائیسی اجلاس کے وقت انعقاد سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس میں لازماً صول ہو جائیں۔ پرائیسی کو کمپنی (سکرنڈ شوگر ملز لمبیٹر) کا میرہ ہونا لازمی ہے۔

(۲) سی ڈی سی حصہ داران اجلاس ہندا میں شرکت کرنے بولنے اور ووٹ دینے کیلئے اہل ہیں اور اپنی شناخت ثابت کرنے کے لیے اپنے اصلی کمپیوٹرائزڈ قومی شناختی کارڈ / پاسپورٹ کی کاپی ساتھ لگائیں۔

(۳) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اثاری نمائندہ کے دستخط پرائیسی فارم کے ساتھ مسلک کرنے ہوئے۔



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District Shaheed Benazirabad, Sindh.