

**AL-NOOR
SUGAR MILLS LTD
ANNUAL REPORT 2023**



Contents

COMPANY information	02	NOTICE OF Annual General Meeting	05
MISSION & Vision	03	CHAIRMAN'S Review	10
CODE OF Conduct	04	DIRECTOR'S Report	11

Key Operation and Financial Data for Ten Years	17
Statement of Compliance with Code of Corporate Governance	18
Review Report on the Statement of Compliance (Code of Corporate Governance) Regulations, 2019	20
Independent Auditor's Report to the members	21
Statement of Financial Position	25
Statement of Profit or Loss	26
Statement of Comprehensive Income	27
Statement of Changes in Equity	28
Statement of Cash Flows	29
Notes to the Financial Statements	30
Pattern of Shareholding	72
Directors' Report (Urdu)	81
Form of Proxy (English and Urdu)	

Company Information

BOARD OF DIRECTORS

MR. ZIA ZAKARIA

MR. NOOR MOHAMMAD ZAKARIA

MR. MUHAMMAD SALIM AYOOB

MR. ASAD AHMAD MOHIUDDIN

MS. MUNIFA AYOOB

MR. FARRUKH YASEEN (Independent Director)

MR. KHURRAM AFTAB (Independent Director)

BOARD AUDIT COMMITTEE

MR. KHURRAM AFTAB

MR. ZIA ZAKARIA

MS. MUNIFA AYOOB

HUMAN RESOURCE AND REMUNERATION COMMITTEE

MR. KHURRAM AFTAB

MR. ZIA ZAKARIA

MR. NOOR MOHAMMAD ZAKARIA

CHIEF FINANCIAL OFFICER

MR. MUHAMMAD HANIF CHAMDIA

COMPANY SECRETARY

MR. MOHAMMAD YASIN MUGHAL
FCMA

AUDITORS

M/S KRESTON HYDER BHIMJI & CO.
Chartered Accountants

LEGAL ADVISOR

MR. IRFAN
Advocate

REGISTERED OFFICE

96-A, Sindhi Muslim Society, Karachi-74400 Tel: 34550161-63 Fax: 34556675

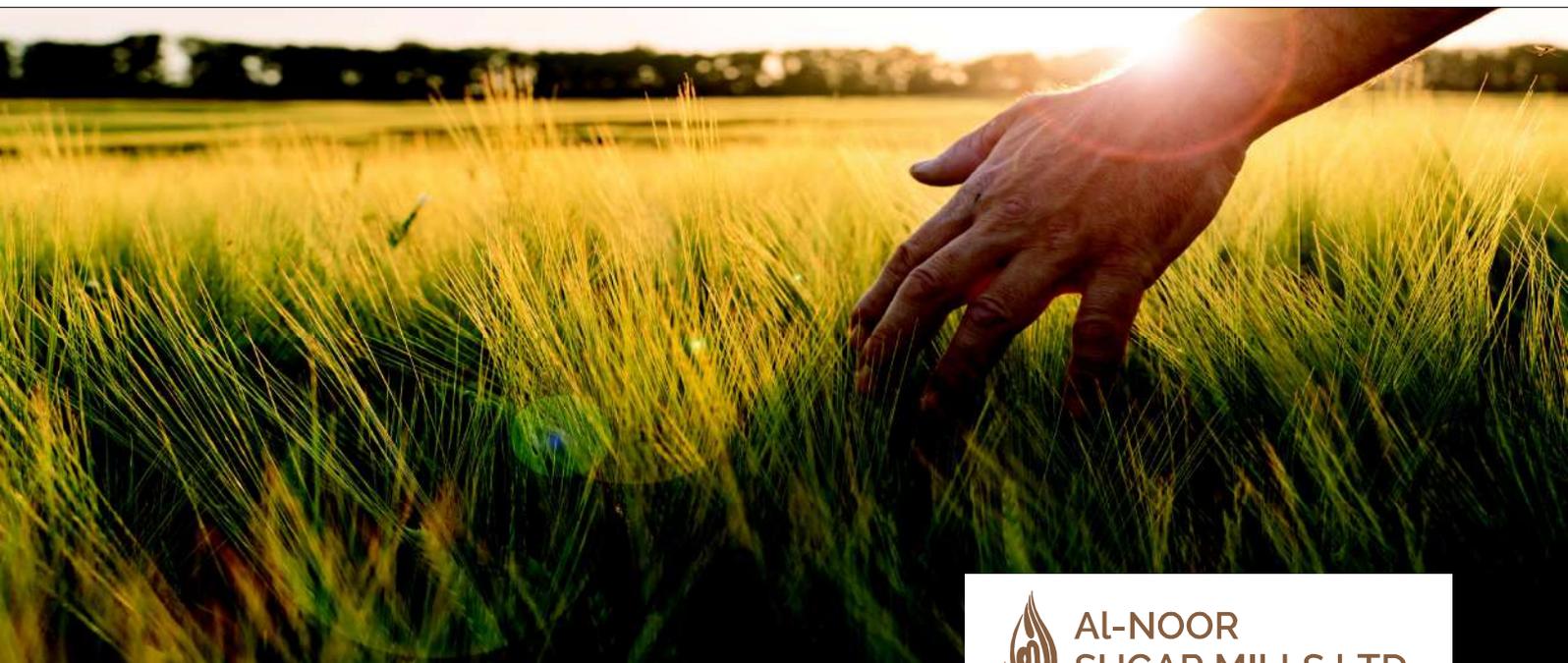
Website: www.alnoorsugar.co

REGISTRAR & SHARES REGISTRATION OFFICE

C & K Management Associates (Pvt) Ltd.
404-Trade Tower,
Abdullah Haroon Road,
Near Metropole Hotel, Karachi - 75530

FACTORY

Shahpur Jahania, P.O. Noor Jahania,
Taluka Moro,
District Shaheed Benazir Bhutto Abad
(Nawabshah)



AL-NOOR
SUGAR MILLS LTD.

Mission

To gain strength through industry leadership in the manufacturing and marketing of sugar and Lasani Wood and to have a strong presence in these products markets while retaining the options to diversify in other profitable ventures.

To operate ethically while maximizing profits and satisfying customers' needs and stakeholders' interests.

To assist in the socio economic development of Pakistan especially in the rural areas through industrial expansion and development.

Vision

To be a model company producing sugar and allied products of international quality by maintaining high level of ethical and professional standards.

CODE OF CONDUCT

Al-Noor Sugar Mills limited is guided by the following principles in its pursuit of excellence in all activities for the attainment of the Company's Objectives.

THE COMPANY

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

AS DIRECTORS

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

AS EXECUTIVE AND MANAGERS

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

AS EMPLOYEES AND WORKERS

- Observe company's policies, regulations and Codes of Best Business Practices.
- Exercise prudence in effective, efficient and economical utilization of resources of the Company.
- Make concerted struggle for excellence and quality.
- Devote productive time and continued efforts to strength the Company.
- Protect and safeguard the interest of the Company and avoid the conflict of interest. Ensure the primary interest in all respects is that of the Company.
- Maintain financial integrity and must avoid making personal gain at the Company's cost by participating in or assisting activities which compete with the Company.



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 54th Annual General Meeting of AL-NOOR SUGAR MILLS LIMITED will be held at the Registered Office of the Company at 96-A, Sindhi Muslim Society, Karachi on Thursday, January 25, 2024 at 03.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of the Extra Ordinary General Meeting held on March 30, 2023.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended September 30, 2023 together with the Directors' and Auditors' Reports thereon.
3. To approve payment of Final Cash Dividend @ 90% i.e. Rs.9.00 per ordinary share of Rs.10/= each for the year ended September 30, 2023 as recommended by the Board of Directors.
4. To appoint Auditors and to fix their remuneration for the year 2023-24. The present Auditors M/s. Kreston Hyder Bhimji & Co., Chartered Accountants, retire and offer themselves for re-appointment.

SPECIAL BUSINESS

5. To approve remuneration of Chief Executive Officer and Executive Director of the Company and if thought appropriate, to pass with or without modification(s) the following resolution:

RESOLVED THAT Director's remuneration of Mr. Noor Mohammad Zakaria Chief Executive Officer of the company fixed at Rupees 1,967,004/= per month inclusive of utilities and other allowances and Mr. Muhammad Salim Ayoob, Executive Director at Rupees 1,131,335 per month inclusive of utilities and other allowances. Their annual increment at the rate of 20% of the basic pay with fall due on 1st October each year.

RESOLVED FURTHER THAT Secretary of the Company be and hereby authorized and empowered on behalf of the Company to do all acts, deeds and things take all stapes and actions necessary, ancillary and incidental in connection with above said resolution for whenever and wherever it may require.

6. To consider and pass the following Special Resolutions in respect of related party transactions as required u/s 208 of Companies Act 2017.
 - a. "RESOLVED that the transactions carried out in normal course of business with related parties as disclosed in Note No. 37 of the audited financial statements for the year ended September 30, 2023 be and are hereby ratified and approved."
 - b. "FURTHER RESOLVED that the Chief Executive Officer of the Company be and is hereby authorized to approve all the transactions carried out and to be carried out in future in normal course of business with related parties during the ensuing years and in this connection the Chief Executive Officer or Director or Company Secretary be and are hereby authorized to take any and all necessary actions and sign/execute any and all such documents / indentures as may be required in this regard on behalf of the Company."
7. To Circulate the Annual Audited Financial Statements / Annual Report to the Members Through QR Enabled Code and Weblink:

To consider dissemination of annual audited financial statements through QR enabled code and weblink instead of transmitting the same in the form of CD/DVD/USB and approve the following resolution as a Special Resolution with or without modification: -

"Resolved that dissemination of information regarding annual audited financial statements to the shareholders through QR enabled code and weblink as notified by the Securities and Exchange Commission of Pakistan vide its SRO 389 (1)/2023 dated 21st March, 2023, be and is hereby approved while considering technological advancements and old technology becoming obsolete, the circulation of annual financial statements through CD/DVD/USB be discontinued."

"FURTHER RESOLVED that the Managing Director / Chief Executive or any of the Directors or the Company Secretary be and are hereby singly authorized to do all acts, deeds and things and take all steps and necessary actions ancillary and incidental including filing of requisite documents and returns as may be required with the Registrar of Companies, Securities and Exchange Commission of Pakistan and complying with all other regulatory requirements to effectuate and implement this resolution."

OTHER BUSINESS

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

Attached to this notice is a statement of Material Facts covering the above mentioned Special Business, as required under section 134(3) of the Companies Act, 2017

By Order of the Board



M. YASIN MUGHAL
COMPANY SECRETARY

Karachi: December 28, 2023

NOTES:

1. Closure of Share Transfer Books:

The Register of the Members of the Company will remain closed from January 19, 2024 to January 26, 2024 (Both days inclusive) for the purpose of attending the Annual General Meeting /Transfer of shares / entitlement of cash dividend etc.

2. Participation in Annual General Meeting and appointing proxies:

A member of the Company entitled to attend and vote may appoint another member as his/her proxy to attend and vote on his/her behalf. PROXIES MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

In pursuance of Circular No.1 of SECP dated January 26, 2000 the CDC Account holders/subaccount holders are requested to bring with them their original CNICs or Passports alongwith Participant(s) ID Number and CDC account numbers at the time of attending the Annual General Meeting for identification purpose. If proxies are granted by such shareholders the same must be accompanied with attested copies of the CNICs or the Passports of the beneficial owners. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signatures of the nominee shall be submitted along with Proxy form to the Company. The nominee shall produced his original CNIC at the time of attending the meeting for identification.

3. Participation in the Annual General Meeting Electronically.

In Pursuance of Circular No. SMD/SL/2(20)/2021/117 dated 15-02-2021 issued by SECP to ensure the participant Members may attend the Meeting Electronically. To attend the Meeting Electronically a Member is required to send an e-mail to agm.alnrs@alnoorgroup.co with e-mail address, name, folio number, CNIC Number, Cell Number and number of shares held in his / her name with subject "Registration for AGM of ALNRS". A video link to join the Meeting will be shared with Members whose e-mails, containing all the required particulars, are received not later than 48 (forty-eight) hours before the time of the Meeting.

4. Submission of copies of CNIC

Individual Shareholders are once again reminded to submit a copy of their valid CNIC, if not provided earlier, to the Company's Share Registrar. In case of non-availability of a valid copy of the Shareholders' CNIC in the records of the Company, the company shall be constrained to withhold the Dividend, under the provisions of Section 243 of the Companies Act 2017.

5. Deduction of Withholding Tax from Dividend U/S 150 of the Income Tax Ordinance, 2001:

- (i) The rates of deduction of income tax under Section 150 of the Income Tax Ordinance, 2001 for payment of dividend are as follows:

Rate of tax deduction for the filer(s) of income tax return 15%.

Rate of tax deduction for the non-filer(s) of income tax return 30%.



- (ii) To enable the company to make tax deduction on the amount of cash dividend @ 15% instead of 30%, shareholders whose names are not entered into the Active Tax-payers list (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to immediately make sure that their names are entered in ATL, otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.

Further, according to clarification received from Federal Board of Revenue (FBR), withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint-holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard, all shareholders who hold such shares jointly, are requested to provide shareholding proportions of Principal shareholder and Joint-holder(s) in respect of shares held by them to our Share Registrar in writing as follow:

Company Name	Folio/CDS Account #	Total Shares	Principal shareholder		Joint Shareholders		Signature
			Name and CNIC #	Proportion (No. of shares)	Name and CNIC #	Proportion (No. of shares)	

6. Requirement of Valid Tax Exemption Certificate for Claiming Exemption from Withholding Tax:

As per FBR Circulars No.1(29) WHT/2006 dated June 30, 2010 and No.1(43) DG (WHT) 2008 - Vol. - II-66417-R dated May 12, 2015 the valid exemption certificate is mandatory to claim exemption of withholding tax U/S 150 of the Income Tax Ordinance 2001 (tax on dividend amount) where the statutory exemption under clause 47B of Part-IV of Second Schedule is available. The shareholders who fall in the category mentioned in the above clause and want to avail exemption U/S 150 of the Income Tax Ordinance, must provide Valid Tax Exemption Certificate to our Share Registrar.

In case of those shareholders who are non-residents are requested to please provide their respective detail including residence status /country of residence with copy of their NICOP to our Share Registrars before book closure. In case of non availability of status in their respective portfolio, the respective tax on dividends would be applicable.

7. Payment of Cash Dividend Electronically:

As per provision of Section 242 of Companies Act, 2017 any dividend payable in cash 'shall only be paid through electronic mode directly in to the bank account designated by the entitled shareholders. A notice of the foregoing seeking information from shareholders for payment of dividend through electronic mode was sent earlier. The shareholders are now once again requested to provide their folio number, name and details of bank account including bank name, branch name, branch code and address, Account number, Title of Account and IBAN/swift code in which they desire their dividend to be credited, failing which the Company will be unable to pay the dividend through any other mode. Standard request form has also been placed on website of the Company. The members are requested to send the information on the same at the earliest possible.

In case shares are held in CDC then the form must be submitted directly to shareholder's broker /participant CDC Investor account services.

8. Unclaimed Dividend / Shares :

Shareholders who could not collect their dividend/physical shares are advised to contact our Share Registrar to collect/enquire about their unclaimed dividend or shares, if any.

9. Distribution of annual report through email (optional)

Pursuant to the provision of section 223(6) of the Companies Act 2017, the companies are permitted to circulate their annual financial statements along with auditor's report directors' review report etc. ("Annual Report") and the notice of annual general meeting ("Notice"). to its shareholders by email. Shareholders of the Company who wish to receive the Company's annual report and notice of annual general meeting by email are requested to provide the completed electronic communication consent form (available on the Company's website). to the Company's share registrar.

The audited financial statements of the Company for the year ended September 30, 2023 have been made available on the Company's website (www.alnoorsugar.co) in addition to annual and quarterly financial statements for the prior years.



10. Video Conference Facility :

As per Companies Act, 2017, if the Company received consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the Annual General Meeting (AGM) through video conference at least seven days prior to the date of AGM, the Company will arrange a video conference facility in that city subject to availability of such facility in that city. The Company will intimate to members regarding the video conference facility venue at least 5 days before the date of the AGM along with the complete information needed to access the facility. If you would like to avail video conferencing facility, as per above, please fill the following and submit to registered office of the Company at least seven days before AGM.

I / We, _____ of being a member of Al-Noor Sugar Mills Limited, holder of Ordinary ____ Share(s) as per Register Folio No / CDC Account No. ____ hereby opt for video conference facility at _____.

Members Signature

11. Deposit of Physical Shares into CDC Accounts.

As per Section 72 of the Companies Act, 2017 every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from commencement of the Companies Act, 2017.

The shareholders having physical shareholding may open CDC sub-account with any of the brokers or investor's account directly with the CDC to place their physical shares into scrip less form. This will facilitate them in many ways including safe custody and sale of shares, anytime they want as the trading of physical shares is not permitted as per existing Regulations of Pakistan Stock Exchange.

12. Financial Statements and relevant reports have been placed on the website of the company which can be seen on www.alnoorsugar.co

13. E-Voting

Members may exercise their right to vote by means of postal ballot i.e. by post or through electronic mode subject to the requirements of section 143 and 144 of the Companies Act, 2017. Pursuant to Companies (Postal Ballot) Regulations, 2018, for the purposes of Special Business members will be allowed to exercise their right to vote through postal ballot /electronic mode in accordance with the requirement and procedures contained in the aforesaid Regulations. The schedule and procedure of postal ballot/electronic voting shall be placed on the Company's website i.e. www.alnoorsugar.co seven (7) days before the meeting.

14. Change of Address and Non-Deduction of Zakat Declaration Form:

Shareholders are requested to inform the Company's Share Registrar, M/s. C & K Management Associates (Pvt.) Limited, 404-Trade Tower, Abdullah Haroon Road, Near Metropole Hotel, Karachi of any change in their addresses and provide their non-deduction of zakat declaration Form immediately.

Statement under Section 134(3) of the Companies Act, 2017 Regarding Special Business

This statement sets out the material facts concerning the special resolutions contained in the notice pertaining to the Special Business to be transacted at the Annual General Meeting of Al-Noor Sugar Mills Limited to be held on January 25, 2024.

Director's Remuneration

Agenda Item No. 5. Of the Notice - Approval of the remuneration of Chief Executive Officer and Executive Director. The approval is being sought for payment of remuneration to Chief Executive Officer and an Executive Director of the company. The remuneration of Executive Directors has already been approval by the Board of Directors in their meeting held on 13th April 2023.



RELATED PARTY TRANSACTIONS.

Agenda Item No. 6(a) of the Notice - Transactions carried out with related parties during the year ended September 30, 2023 to be passed as a Special Resolution.

The transactions carried out in normal course of business with related parties were approved by the Board as recommended by the Audit Committee on quarterly basis pursuant to Section 208 of the Companies Act 2017 and Section 15 of listed Companies Code of Corporate Governance, Regulation 2019.

During the Board meeting it was pointed out by the Directors that as the majority of Company's Directors were interested in these transactions due to their common directorship and holding of shares in the related parties, the quorum of directors could not be formed for approval of these transactions specifically, therefore, these transactions have to be approved by the shareholders in the General Meeting. In view of the above, the transactions carried out during the financial year ended September 30, 2023 with related parties shown in note No. 37 of the financial statements are being placed before the shareholders for their consideration and approval/ ratification.

Agenda Item No. 6(b) of the Notice - Authorization to the Chief Executive Officer for the transactions carried out and to be carried out with related parties during the ensuing years to be passed as a Special Resolution.

The Company is expected to be conducting transactions with related parties in the normal course of business. The majority of Directors are interested in these transactions due to their common directorship and shareholding in the related parties. Therefore, 'such transactions with related parties have to be approved by the shareholders.

In order to comply with the provisions of Section 208 of Companies Act 2017 and Section 15 of listed Companies Code of Corporate Governance Regulation 2019, the shareholders may authorize the Chief Executive Officer to approve transactions carried out and to be carried out in normal course of business with related parties during the ensuing years.

The Directors in respect of item (a) and (b) are interested in the resolutions to the extent of their common directorships and their shareholding.

Agenda Item No. 7 of the Notice - To circulate annual audited financial statements through QR enabled code:

In order to implement SECP notification with respect to transmission / circulation of information such as annual audited financial statements through QR enabled code and weblink instead of CD/DVD/USB, and will also be provided through e-mail if they desire to receive the same at their e-mail addresses. Special resolution is a part of the notice for concurrence of shareholders to adopt the newly introduced mode of transmission. However, for convenience of shareholders Standard Request Form is available on Company's website for those who opt to receive the hard copy of annual audited financial statements with relevant documents at their registered addresses.

The directors of the Company have no vested interest, direct or indirect in the above mentioned Special Business except to the extent of payment of fee to non-executive directors

CHAIRMAN'S REVIEW REPORT

It is a matter of great pleasure for me to be entrusted with the responsibility of chair for the Board comprising of a diverse group of highly talented professionals, who efficiently communicate with our valued members and stakeholders to present the financial statements of the Company for the year ended September 30, 2023. I also appreciate the overall performance of the Board and their effective role played by the members achieving the company's objectives. The Company has performed well and achieved the crushing target of 789,713 metric tons of sugarcane, produced 79,575 metric tons of sugar and achieved a recovery rate of 10.09 percent even though the crop was not good during this season.

The world faced the unprecedented challenges of Russia and Ukraine confrontation, increasing financial and energy cost, uncertain financial and political fronts, high inflation and high effects of PKR versus USD. The Board ensured compliance of all regulatory requirements by the Management as laid down in the Listing Regulations of Stock Exchange.

The Board focused on developing and reviewing the company's corporate vision and achievement of its objectives which are reflected in the audited financial statements of the company. In order to contain ever increasing energy cost, the management installed solar power plant at the MDF board division as well as the Head Office Building in order to meet the requirement of electricity.

Despite immense challenges in the foregoing year, the Company was able to achieve positive results mainly due to contribution by MDF Board division and value addition in its various products. The Company has taken continued steps in the field of sugarcane development, energy efficiency, and value addition to ensure the sustainability of the Company.

On behalf of the Board of Directors, I would like to acknowledge the contribution of all our employees to the success of the Company. I look forward to and pray to Allah Subhana Wa Taa'ala for the next years of success and continuous growth of the Company.



Zia Zakaria

Chairman

Karachi

December 28, 2023



DIRECTORS' REPORT TO THE MEMBERS

IN THE NAME OF ALLAH THE MOST GRACIOUS AND MOST MERCIFUL

Dear members Asslamu Alaikum

I take the opportunity to place before you, on behalf of the Board the achievements of your Company, along with the audited financial statements and Auditors' Report thereon for the year ended September 30, 2023. The principal activity of your Company is to manufacture sugar and MDF Board in various thicknesses. Significant production and financial data is provided as under.

FINANCIAL PERFORMANCE:	2022-23	2021-22
	(Rupees in thousand)	
Profit before taxation	478,302	213,277
Provision for taxation	(182,958)	(39,958)
Net profit after taxation	295,344	173,319
Profit per share- basic and diluted	Rs.14.43	Rs.8.47

OPERATIONAL RESULTS:	2022-23	2021-22
Sugarcane crushed (M Tons)	789,713	940,764
Sugar produced (M Tons)	79,575	98,110
Sugar recovery percentage	10.09	10.43
Molasses produced (M Tons)	36,100	43,125
MDF Production (Cubic Meters)	66,227	67,506

FINANCIAL DATA:	(Rupees in thousands)	
Sales	13,122,460	10,546,358
Cost of sales	(11,022,278)	(9,034,810)
Gross profit	2,100,182	1,511,548
Distribution cost	(67,525)	(74,940)
Administration cost	(898,412)	(809,089)
Other expenses	(71,351)	(17,733)
Financial cost	(1,231,552)	(680,022)
Other income	48,944	25,618
Share of profit in associates	598,016	257,895
Profit before tax	478,302	213,277

PERFORMANCE REVIEW:

SUGAR DIVISION

During the period under consideration, the sugarcane crop was not good in the Province and the volume of crushing of your Company had declined to 789,713 metric tons as compared to 940,764 metric tons crushed in the same period last year. During the period under review, the recovery rate declined to 10.09 percent against 10.43 percent achieved last year. Decrease in the recovery rate was mainly due to poor quality of sugarcane whereas the crushing was commenced when the cane crop was fully matured. Due to non-availability of raw material, the production of sugar had also decreased to 79,575 metric tons as compared to 98,110 metric tons produced during the period last year.

MEDIUM DENSITY FIBRE (MDF) BOARD DIVISION:

MDF board division, under critical circumstances performed well and produced 66,227 cubic meters of products in various thickness as compared to 67,506 cubic meters produced during the previous year. The production is slightly lower than last year by 1,279 cubic meters or 1.89 percent. Low production was due to the after effects of high flood in the country and non-availability of raw material as all means of procurement was suspended during flood and approach to the sites of raw material was difficult.

POWER GENERATION DIVISION:

The Agreement made with Water and Power Development Authority was for a period of ten years which had expired. Thereafter, the proposal for sale of electricity was submitted which the National Electric Power Regulatory Authority has approved. The company sold 8 megawatts per hour of electricity to Sukkur Electric Supply Company and earned an additional income of Rs.45.869 million.

INSATALLATION OF SOLOR SYATEM AT MDF BOARD DIVISION:

Keeping in view the ever increasing cost of electricity in the country, the management decided to install a solar power plant at M D F board division. Since installation, the system provided sufficient power required by M D F Board division.

STATEMENT OF COMPLIANCE AND FIANCIAL REPORTING FRAMEWORK:

1. The Financial Statements prepared by the management of the Company present fairly its state of affairs, the results of operations, cash flow and changes in equity.
2. The Company has maintained proper books of accounts as required by the law.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
5. The system of internal control is sound in design and has been effectively implemented and monitored during the period.
6. There are no significant doubts upon the Company's ability to continue as going concern.
7. There has been no material departure from the best practices of the Code of Corporate Governance as detailed in the Listing Regulations of Pakistan Stock Exchange.
8. There have been no outstanding statutory payments, except those under normal course of business and some disputed cases, which are appearing in the relevant notes to the financial statements.
9. The pattern of shareholding in the Company as on September 30, 2023 is also included in the Annual Report.
10. The Directors, Chief Executive, Chief Financial Officer, Company Secretary, their spouses or minor children carried out no trade in the shares of the Company except as otherwise indicated.
11. The investments out of provident fund have been made in accordance with the provision of Section 218 of the Companies Act 2017 and rules formulated for this purpose.

The key operating and financial data of the last ten years and pattern of shares holding have been included in the Annual Report. There has been no significant change in the holding of directors or their spouses except otherwise indicated.

COMPOSITION OF BOARD OF DIRECTORS:

The tenure of current Board of Directors was completed on March 30th 2023 and the shareholders in the Extra Ordinary General Meeting held on the said date elected the following persons as Directors of your company from the said date.

S.No.	NAME OF DIRECTORS	STATUS
1.	Mr. Zia Zakaria	Non-executive Director
2.	Mr. Noor Muhammad Zakaria	Executive Director
3.	Mr. Muhammad Salim Ayoob	Executive Director
4.	Mr. Asad Ahmad Mohiuddin	Non-executive Director
5.	Ms. Munifa Ayoob	Non-executive Director
6.	Mr. Farrukh Yaseen	Independent Director
7.	Mr. Khurram Aftab	Independent Director



The Board of Directors wishes to assure its respectable stakeholders that dedicated efforts are being taken to achieve better results In Shah Allah. We pray to Almighty Allah to guide and help us forward to achieve our desired goals. (Ameen) During the period under review six meetings of the Board were held and attendance by each director was as follow.

S.No.	NAME OF DIRECTORS	ATTENDED	STATUS
01.	Mr. Zia Zakaria (Chairman)	6	Non-executive
02.	Mr. Yusuf Ayoob	1	Executive
03.	Mr. Suleman Ayoob	0	Executive
04.	Mr. Noor Muhammad Zakaria	4	Executive
05.	Ms. Munifa Ayoob	6	Non-executive
06.	Mr. Shamim Ahmad	2	Independent Director
07.	Mr. Farrukh Yaseen	6	Independent Director
08.	Mr. Muhammad Salim Ayoob	3	Executive
09.	Mr. Asad Ahmad Mohiuddin	4	Non-executive
10.	Mr. Khurram Aftab	4	Independent Director

Mr. Shamim Ahmad, Mr. Suleman Ayoob and Mr. Yusuf Ayoob were members of the Board prior to election of the Directors held on March 30, 2023. Mr. Yusuf Ayoob was the Chief Executive officer and expired on January 9, 2023, and Mr. Noor Muhammad Zakaria was inducted as Chief Executive Officer by the Board.

The details of remuneration of executive directors have also been provided in the relevant note to the financial statements as required under the Listing Regulations of Pakistan Stock Exchange. No remuneration is paid to the non-executive and independent directors except the meeting fee.

AUDIT COMMITTEE:

As required under the Code of Corporate Governance included in the Listing Regulation of Pakistan Stock Exchange, the Board has constituted an Audit Committee comprising of the following directors. During the period under consideration, four meetings of Audit Committee were held and attendance of each member was as under:

NAMES OF DIRECTORS	DESIGNATION	ATTENDED	STATUS
Mr. Shamim Ahmad	Chairman	2	Independent Director
Mr. Khurram Aftab	Chairman	2	Independent Director
Mr. Zia Zakaria	Member	4	Non-executive
Ms. Munifa Ayoob	Member	4	Non-executive

Mr. Shamim Ahmad was the member of the Audit committee before election and after election the Board inducted Mr. Khurram Aftab as Chairmen of the Audit Committee.

Terms of reference of Audit Committee has been determined by the Board as laid down in the Listing Regulations of Pakistan Stock Exchange.

HUMAN RESOURCE AND REMUNERATION COMMITTEE:

The Board also constituted a Human Resource and Remuneration Committee as required under the Code of Corporate Governance comprising of the following Directors. During the year, one meeting of the Committee was held and was attended by all the members of the Committee except Mr. Suleman Ayoob.

NAMES OF THE DIRECTORS	DESIGNATION	STATUS
Mr. Khurram Aftab	Chairman	Independent Director
Mr. Zia Zakaria	Member	Non-executive Director
Mr. Noor Muhammad Zakaria	Member	Executive Director

DIRECTORS' REMUNERATION POLICY:

As per articles of the Company, the Board of Directors is authorized to determine the remuneration of executive, non-executive and independent Directors from time to time and with the approval of members in general meeting as required in accordance with the Companies Act 2017. The Board of Directors has developed a Directors' Remuneration Policy which describes in detail the Policy's objectives and a transparent procedure for determination of the remuneration packages of individual director for attending the Board's and its committees' meetings. Salient features, amongst other, of Directors' Remuneration Policy included that the level of remuneration shall be competitive and sufficient to attract and retain qualified and skilled individuals on the Board, there shall be no gender discrimination and the remuneration shall not be at a level that could be perceived to compromise with independence of the directors.

Details of the aggregate amount of remuneration of executive and non-executive directors are disclosed in note 38 to the financial statements.

FUTURE OUTLOOK:

SUGAR DIVISION

The government of Sind vide Notification No. B(142)/SO(Est)/2023-24 has notified that the price of sugarcane for the crushing season is Rs.425/= per forty kgs as compared to Rs.302/= notified last year. The cost of raw material has been raised by Rs.123/= per forty kgs which would increase the production cost of sugar for the crushing season in progress. The Federal Government has notified the selling price of sugar to end consumers at Rs.130/= per kg. It would be of serious concern to maintain the selling price at this level for end consumers. In spite of good return paid to the growers during the crushing season 2022-23, the sugarcane crop was not better in the province as would be observed from the volume of crushing and production of sugar. Shortage of water in Sindh is a major constraint. Crushing season 2023-24 has commenced and it is expected that the production of sugar would be more than last year but factual position would be established after sizeable volume of cane crushing is achieved. It is a great concern of the sugar industry in the country that raw material is controlled by the Government whereas the price of the end product is left opened to market forces.

MDF BOARD DIVISION:

MDF board division has produced 66,227 cubic meters of board in various thickness as compared to 67,506 cubic meters produced during the previous year. The production is slightly lower than last year. This was due to non-availability of raw material on account of after effects of high flood situation in the country and also due to the scarcity of transport. Approach to the raw material sites is still difficult as the damaged roads and bridges have not been repaired by the government. The demand of the products has also slightly improved as reactivation of the construction industry in the country has also revived to some extent. Products of the division have established acceptability in the markets and neighboring countries. It is expected that the MDF board industry of the country will progress keeping in view the re-expansion in the housing sector.

CREDIT RATING OF THE COMPANY:

VIS Credit Rating Company has assigned initial medium to long term entity rating of "A-/A-2" (Single "A" Minus A-Two) to the Company. Outlook on the outstanding rating is "Stable".

CORPORATE AND SOCIAL RESPONSIBILITY:

The benefits of corporate and social responsibility are well known as the same contribute higher production, enhance reputation of the company in the market places and improvement in the living standards of communities around the mills and enhancing the strength of the economy. Social and Environmental Policy envisages an active commitment and participation on the part of the Company in social work initiatives as a part of its corporate and social responsibility. The Company always plays its due role to fulfill its responsibility towards the country and its people. In line with the policy the Company contributes to various social causes to improve the living standard of the people living in the surrounding area of the mill including education and health sector. The company is committed to accomplish its Corporate and Social Responsibility (CSR) goals and continued to take initiatives by supporting education, healthcare, environments and other social causes around the Mills area in order to bring improvement in the lives of lesser privileged communities of the area. The Company undertook continuously numbers of welfare activities in its franchise area i.e. established a school up to secondary level, holding of medical camps on interval basis, financial assistance to deserving villagers, provides fertilizer and seed to growers, supply of free ration and medical assistance to needy persons. Your company is determined to minimize environmental impact by reducing waste and emissions and conduct its business with the highest concern for health and safety of its employees, customers, suppliers, neighbors and the general public. The management initiates tree plantation drives to support the environment within the community.



RELATED PARTIES TRANSACTIONS:

All related parties' transactions are placed before the Board's Audit Committee and the Board for final approval as required under the Listing Regulations of Pakistan Stock Exchange. Related parties' transactions carried out during the year 2021-22 were also placed before the members in the Annual General Meeting as required under Section 208 of the Companies Act 2017. Members also accorded approval of all the related parties' transactions to be carried out in future by the management under arm's length price. All transactions entered into related parties were approved by the Board after approval by the Board's Audit Committee which is presided by an independent director.

CONTRIBUTION TO NATIONAL EXCHEQUER:

The company is also contributing to enhance the resources of the country in the form of taxes, duties and earning foreign exchange through export of sugar, as and when allowed by the Government, and exporting laminated products of MDF board division. During the period under review your company has exported MDF laminated products and earned valuable foreign exchange for the country. This has also helped to reduce the trade deficit to some extent.

RISK MANAGEMENT AND OPPORTUNITIES:

The Company operates in a challenging environments and the management has set up an effective mechanism for identification, evaluation and mitigation of risk which enable smooth operation and ensures that focus remains on business growth.

CREDIT RISK:

The company usually sells the products against advance payments but in case of credit sale: proper due diligence of customers is exercised to whom credit is extended. In case of export of sugar (as and when allowed by the Government) and export of laminated products, all are against letter of credit opened with the respective banks.

MARKET RISK:

The company is exposed to risk of changes in the price of its raw materials which is enhanced by the Government of Sindh and finished product is left open to the market force. The Government must consider some relevance between the raw material cost and finished product price prevailing in the domestic market. However this is managed by planning of stock levels and continuous monitoring of markets for purchase and sale through various sources in time and intervals found appropriate.

LIQUIDITY RISK:

The Company has managed working capital requirements from various banks to cater to the mismatch between sales receipts and payments for purchases in order to meet its business obligations. The Board periodically reviews major risk faced by the business and take necessary actions in order to mitigate the risk. The Audit Committee also reviews the financial and compliance risks. The Human Resource and Remuneration Committee reviews the compensation and reward policies to ensure that these are competitive and effective for retention and attraction of talented and experience personnel.

MECHANISM FOR EVALUATION OF BOARD:

Members of the Board and committees thereof are highly experienced personnel that are continuously striving to improve their effectiveness and undertake annual review to assess the Board and committees performance from time to time. The Board also reviews the developments in the corporate sector and Governance to ensure that the company remained aligned with the best practices and development taking place in the corporate sector.

DIVIDEND:

Cash dividend @ 90 percent i.e. Rs. 9.00/= per share of Rs. 10/= each (2022, 50 percent i.e. Rs.5.00 per share of Rs.10/= each) has been recommended by the Board for the current year.

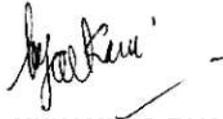
APPOINTMENT OF AUDITORS:

With conclusion of the Annual General Meeting the present Auditors, M/s Kreston Hyder Bhimji and Company, Chartered Accountants, retire and being eligible offered themselves for reappointment for the financial year 2023-24. Audit Committee also recommended their appointment and the Board of your company endorsed the recommendations of the Audit Committee for their re-appointment for the year 2023-24 subject to the approval by the members in the forth coming Annual General Meeting.

STAFF RELATIONS:

Finally the directors are pleased to place on record their appreciation for devotion of duty and hard work of the executives, staff members and workers for smooth running of the company's affairs, meeting the objectives and targets in the current demanding environments and are confident that they will continue to demonstrate the same zeal and vigor in future under the blessing of our Creator.

By order of the Board



NOOR MUHAMMAD ZAKARIA
MANAGING DIRECTOR / CEO



ZIA ZAKARIA
CHAIRMAN / DIRECTOR

Karachi: December 28, 2023



KEY OPERATION & FINANCIAL DATA FOR LAST TEN YEARS

(Rupees in thousand)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
							(Restated)	(Restated)		
BALANCE SHEET:										
Share Capital	204,737	204,737	204,737	204,737	204,737	204,737	204,737	204,737	204,737	204,737
Reserves	2,312,235	2,068,641	1,944,141	1,703,095	1,497,153	1,268,994	1,336,842	1,395,588	1,232,727	1,028,809
Surplus on revaluation										
of fixed assets	5,166,992	1,188,094	1,272,897	1,364,357	1,429,316	1,527,935	1,058,349	1,111,915	1,184,605	1,230,740
Long Term Liabilities	1,786,793	2,228,857	2,001,907	2,685,000	2,136,875	2,101,737	2,198,959	1,607,704	1,120,111	1,174,073
Deferred Liabilities	1,894,771	526,342	609,631	516,129	460,851	356,862	543,755	642,921	648,983	690,169
Lease Liability against right of use assets	10,970	-	712	5,245						
Current Liabilities	6,736,926	5,068,907	3,068,384	2,228,047	3,524,797	3,981,330	4,177,513	2,044,518	2,758,206	2,236,586
Operating Assets	9,658,817	4,913,855	4,839,744	4,906,966	4,771,459	4,841,661	4,417,460	4,110,945	3,639,629	3,706,951
Right of use assets	19,364	3,429	10,605	17,781						
Long Term Deposits	5,563	5,538	4,268	17,781	4,238	3,094	5,510	3,560	3,552	46,954
Long Term Loans	8,047	4,305	4,771	4,268	2,912	3,893	3,227	3,935	6,022	3,516
Long Term Investments	2,160,113	940,863	729,327	747,755	685,385	522,710	264,864	272,070	260,215	246,884
Current Assets	6,260,685	5,416,253	3,511,694	3,025,264	3,784,054	4,067,654	4,829,094	2,616,873	3,239,951	2,560,809
TRADING:										
Turnover	13,122,460	10,546,358	10,791,880	10,906,700	9,340,031	9,080,899	6,895,714	8,103,145	6,966,274	7,699,097
Gross Profit	2,100,182	1,511,548	1,704,673	1,692,268	1,167,112	(652,569)	705,115	963,780	1,027,737	848,907
Operating Profit	1,134,245	627,519	973,813	1,019,973	517,944	(1,359,854)	705,925	963,737	1,028,381	851,525
Profit before Tax	478,302	213,277	451,118	429,886	456,886	(243,346)	(126,833)	226,150	221,089	76,223
Profit after Tax	295,344	173,319	210,890	202,463	189,334	(120,834)	(30,319)	170,080	166,319	31,333
Earning per share	14.43	8.47	10.30	9.89	9.25	(5.90)	8.47	8.31	8.12	1.53
Cash dividend	90%	50%	50%	30%	30%	15%	-	40%	33%	10%
Bonus shares				-	-	-	-	-	-	-
SUGAR PRODUCTION:										
a) From Cane	79,575	98,110	68,623	74,665	94,825	110,810	127,798	92,501	104,283	126,719
b) From Raw Sugar				-	-	-	-	-	-	-
Sugar Produced (M.Tons)	79,575	98,110	68,623	74,665	94,825	110,810	127,798	92,501	104,283	126,719
Cane crushed (M.Tons)	789,713	940,764	677,785	769,428	894,494	1,108,106	1,315,682	940,764	1,013,118	1,293,261
Recovery (%)	10.08%	10.43%	10.12%	9.71%	10.60%	10.00%	9.70%	10.20%	10.30%	9.80%

STATEMENT OF COMPLIANCE WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS 2019 FOR THE YEAR ENDED SEPTEMBER 30, 2023

Name of company: Al-Noor Sugar Mills Limited

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

1. The total number of directors are 7 as per the following:-
 - a. Male: 6
 - b. Female: 1
2. The composition of the Board is as follows:
 - a. Independent directors
 - i) Mr. Khurram Aftab
 - ii) Mr. Farrukh Yaseen
 - b. Non-executive directors
 - i) Mr. Zia Zakaria
 - ii) Mr. Asad Ahmad Mohiuddin
 - iii) MS. Munifa
 - c. Executive directors
 - i) Mr. Noor Muhammad Zakaria
 - ii) Mr. Muhammad Salim Ayoob

Following the election of Directors, the Board was reconstituted on March 30, 2023 comprising of seven directors including two independent directors. One third of seven comes to 2.33 and the fraction was not rounded upward to one to have three independent directors in observance of general mathematic principle.

3. The directors have confirmed that none of them is serving as a director for 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 meetings 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. The Chairman and two directors have prescribed education and experience required for exemption under clause 19(2) of the CCG Regulations accordingly, they are exempt from attending directors training program pursuant to clause 19(1) of the CCG Regulations. Further more, four of the directors have acquired the required certification.
10. The Board has approved the appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit including their remuneration and terms and condition of employment and complied with the relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;



12. The Board has formed committees comprising of members given below-
- | | | |
|----|---------------------------------------|----------|
| a) | Audit Committee: | |
| | Mr. Khurram Aftab | Chairman |
| | Mr. Zia Zakaria | Member |
| | Ms. Munifa Ayoob | Member |
| b) | HR and Remuneration committee: | |
| | Mr. Khurram Aftab | Chairman |
| | Mr. Zia Zakaria | Member |
| | Mr. Noor Muhammad Zakaria | Member |
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following-
- | | |
|----|---|
| a) | Audit Committee; Four quarterly meetings including annual meeting |
| b) | HR and Remuneration Committee: One annual meeting |
15. The Board has set up an effective internal audit function in the company managed by qualified and experience professional, who are conversant with the policies and procedures of the Company and industry's best practices. They are involved in the internal audit function on full time basis. The head of internal audit department functionally reports to the Board's Audit Committee
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, parents, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with; and
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below.
- | | |
|------|---|
| i. | The requirement of Nomination Committee is optional in regulation no 29. The Board takes care of the responsibilities prescribed for Nomination Committee so a separate Nomination Committee is not considered necessary. |
| ii. | The requirement of Risk Nomination committee is optional in regulation no 30. The risk management is carried at the overall company's level by the executive management of the Company including CEO. The Company's management monitors potential risk and risk management procedures are carried out to identify, access and mitigate any identified or potential risk. The Board is also apprised from time to time about the risks and their management. Therefore, it is not considered necessary to have a separate committee in this respect. |
| iii. | Since the requirement with respect to disclosure of significant policies on the website is optional in regulation no 35(1), the company has uploaded only limited information in this respect on the company's website. However significant related information in respect of salient policies are disclosed in the annual reports of the Company which are duly uploaded on the website and are available for every one assessing the website. The company will however, review and place key elements of the policies if considered necessary. |


ZIA ZAKARIA
CHAIRMAN


NOOR MUHAMMAD ZAKARIA
CHIEF EXECUTIVE OFFICER



Independent Auditor's Review Report to the Members of Al-Noor 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 (the Regulations) prepared by the Board of Directors of **Al-Noor Sugar Mills Limited** (the Company) for the year ended September 30, 2023 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

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


Chartered Accountants
Karachi.

Date: 3 January 2024

UDIN: CR202310225BgZ1GDTYu

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**Independent Auditor's Report To The Members Of
Al-Noor Sugar Mills Limited
Report on the Audit of the Financial Statements**

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

S. No.	Key audit matter	How the matter was addressed in our audit
1.	<p>Recognition of Revenue</p> <p>Revenue from sale of the Company's products has increased by approximately 24% as compared to last year. Revenue is recognized when performance obligations are satisfied by transferring control of promised goods to customer, generally on delivery of goods.</p>	<p>Our audit procedures to assess the recognition of revenue included the following:</p> <ul style="list-style-type: none"> Assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting standards including management's assessment of impact of IFRS-15 "Revenue from Contracts with Customers".

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Page 1 of 4

S. No.	Key audit matter	How the matter was addressed in our audit
	<p>There is inherent risk that revenue may be overstated since the Company focuses on revenue as a key performance indicator, which could create an incentive for revenue to be recognized before control has been transferred.</p> <p>Considering revenue recognition as a significant risk area, we have identified this as a key audit matter.</p> <p>(Refer to note 3.15 and 27 to the financial statements).</p>	<ul style="list-style-type: none"> • Obtaining an understanding of management's internal controls over the revenue process and testing effectiveness of controls relevant to such process; • Performing analytical procedures and test of details by selecting sample of transactions for comparing with sales orders, sales invoices, delivery orders and other underlying records. • Comparing a sample of revenue transactions recorded around the year end with the sales orders, sales invoices, delivery orders and other relevant underlying documentation to assess if the related revenue was recorded in the appropriate accounting period. • Reviewing the adequacy of disclosure as required under applicable financial reporting framework.
2.	<p>Contingencies</p> <p>The Company is under litigations in respect of various matters including industry wide matters as well as pending tax matters and other miscellaneous claims in respect of the assets/ payables of the company as disclosed in note 26 of the annexed financial statements.</p> <p>These contingencies require management's judgments and estimates in relation to the interpretation of relevant laws, notifications and regulations and the recognition and measurement of any provisions that may be required against such contingencies. Due to inherent uncertainties and the time period such matters may take to resolve, the management judgments and estimates in relation to such contingencies may be complex and can significantly impact the annexed financial statements.</p> <p>Accordingly, these are considered as key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Assessing management's processes to identify new possible litigations, obligations and changes in existing obligations through inquiries from management and review of the minutes of meetings of the Board of Directors and Audit Committee. • Review of the relevant information including case proceedings, related industry information and correspondence in respect of the ongoing litigations. • Obtaining confirmation from the legal counsel of the company to evaluate the status of the pending litigations and view point of the company's legal counsel thereon. • Examining legal and professional expenses to confirm that all pending legal matters are identified and disclosed. • Assessing the appropriateness of the related disclosures made in the accompanying financial statements in light of IAS-37 "Provisions and Contingencies."

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

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

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

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

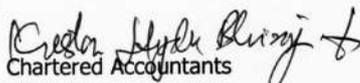
From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Muhammad Tanvir.



Chartered Accountants

Karachi

Dated: 28 December 2023

UDIN: AR202310225PJ109vKFZ



STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2023

	Note	2023	2022 Restated	2021 Restated
Rupees in thousand				
ASSETS				
NON - CURRENT ASSETS				
Property, plant and equipment	4	9,658,817	4,913,855	4,839,744
Right-of-use assets	5	19,364	3,429	10,605
Intangible asset	6	835	1,335	-
Long term investments	7	2,160,113	940,863	729,327
Long term loans	8	8,047	4,305	4,771
Long term deposits	9	5,563	5,538	4,268
		11,852,739	5,869,325	5,588,715
CURRENT ASSETS				
Stores, spare parts and loose tools	10	649,745	544,413	491,515
Stock in trade	11	4,254,523	3,351,333	1,871,492
Trade debts	12	405,286	571,334	390,866
Loans and advances	13	138,479	133,572	121,762
Trade deposits and short term prepayments	14	10,601	4,642	6,772
Other receivables	15	190,139	180,797	184,245
Short term investment	16	102,894	82,450	-
Income tax refundable- net of provision		329,659	294,160	213,560
Cash and bank balances	17	179,359	253,552	231,482
		6,260,685	5,416,253	3,511,694
		18,113,424	11,285,578	9,100,409
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Authorised Capital				
50,000,000 ordinary shares of Rs.10 each		500,000	500,000	500,000
Issued, subscribed and paid-up capital	18	204,737	204,737	204,737
Revenue Reserve				
General reserve		1,000,000	1,000,000	1,000,000
Unappropriated profit		1,314,719	1,071,054	946,737
Share of associate's unrealised (loss) on remeasurement of its investment at fair value through other comprehensive income		(2,484)	(2,413)	(2,596)
Surplus on revaluation of property, plant and equipment	19	5,166,992	1,188,094	1,272,897
		7,683,964	3,461,472	3,421,775
NON-CURRENT LIABILITIES				
Long term financing	20	1,786,793	2,228,857	2,001,907
Lease liability against right-of-use assets	21	10,970	-	712
Deferred taxation	22	1,894,771	526,342	609,631
		3,692,534	2,755,199	2,612,250
CURRENT LIABILITIES				
Trade and other payables	23	3,664,766	1,424,245	946,429
Accrued finance cost	24	208,513	146,236	41,775
Short term borrowings	25	1,905,016	2,658,448	1,364,840
Unclaimed dividend		10,101	8,221	7,140
Current portion of long term financing	20	942,065	831,045	701,667
Current portion of lease liability against right-of-use assets	21	6,465	712	4,533
		6,736,926	5,068,907	3,066,384
CONTINGENCIES AND COMMITMENTS				
	26	-	-	-
		18,113,424	11,285,578	9,100,409

The annexed notes from 1 to 49 form an integral part of these financial statements.


NOOR MUHAMMAD ZAKARIA
Chief Executive Officer


ZIA ZAKARIA
Chairman


MUHAMMAD HANIF CHAMDIA
Chief Financial Officer

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

	Note	2023 Rupees in thousand	2022
Sales	27	13,122,460	10,546,358
Cost of sales	28	(11,022,278)	(9,034,810)
Gross profit		2,100,182	1,511,548
Profit from trading activities	29	-	4,737
		2,100,182	1,516,285
Less:			
Distribution cost	30	(67,525)	(74,940)
Administrative expenses	31	(898,412)	(809,089)
Other expenses	32	(71,351)	(17,733)
		(1,037,288)	(901,762)
		1,062,894	614,523
Other income	33	48,944	20,881
		1,111,838	635,404
Finance cost	34	(1,231,552)	(680,022)
		(119,714)	(44,618)
Share of profit from associates - net	7	598,016	257,895
Profit before taxation		478,302	213,277
Taxation	35	(182,958)	(39,958)
Profit for the year		295,344	173,319
Earning per share - Basic and Diluted (Rupees)	36	14.43	8.47

The annexed notes from 1 to 49 form an integral part of these financial statements.



NOOR MUHAMMAD ZAKARIA
Chief Executive Officer



ZIA ZAKARIA
Chairman



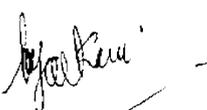
MUHAMMAD HANIF CHAMDIA
Chief Financial Officer



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

	Note	2023 Rupees in thousand	2022
Profit for the year		295,344	173,319
Other Comprehensive Income			
Items that shall may be reclassified			
subsequently to statement of profit or loss			
Surplus on revaluation of property, plant and equipment during the year	4.1	4,683,195	-
Related deferred tax		(1,309,949)	-
		3,373,246	-
Share of associate's unrealized gain on remeasurement of its investment at fair value through other comprehensive income - net of deferred tax	7	(71)	183
Share of associate's surplus on revaluation of property, plant and equipment during the year - net of deferred tax	19.3	644,723	-
		4,017,898	183
Total Comprehensive Income for the year		4,313,242	173,502

The annexed notes from 1 to 49 form an integral part of these financial statements.


NOOR MUHAMMAD ZAKARIA
Chief Executive Officer

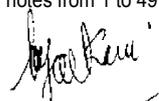

ZIA ZAKARIA
Chairman


MUHAMMAD HANIF CHAMDIA
Chief Financial Officer

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

	Issued, Subscribed & paid up capital	Revenue Reserve		Revaluation surplus on property, plant and equipment	Share of associate's unrealized (loss) / gain on remeasurement of investment at fair value through other comprehensive income	Total
		General reserves	Un-appropriated profit			
..... Rupees in thousand.....						
Balance as at October 01, 2021 as originally stated	204,737	1,000,000	916,054	1,303,580	(2,596)	3,421,775
Effect of restatement due to correction of prior period error (note 44)	-	-	30,683	(30,683)	-	-
Balance as at October 01, 2021 as restated	204,737	1,000,000	946,737	1,272,897	(2,596)	3,421,775
During the year ended September 30, 2022						
Transaction with owners						
Final dividend for the year ended September 30, 2021 @ Rs 5.00 per share	-	-	(102,369)	-	-	(102,369)
Total Comprehensive income for the year						
Profit for the year	-	-	173,319	-	-	173,319
Other Comprehensive Income	-	-	-	-	183	183
	-	-	173,319	-	183	173,502
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax (Note 19.2)	-	-	43,605	(43,605)	-	-
Share of associate's incremental depreciation of revaluation surplus and effect of change in tax rate - net of tax (Note 19.3)	-	-	9,762	(9,762)	-	-
Share of associates' deferred tax adjustment due to change in tax rate directly credited to revaluation surplus - net of tax (Note 19.3)	-	-	-	(3,125)	-	(3,125)
Deferred tax adjustment due to change in tax rate directly credited to revaluation surplus (Note 22)	-	-	-	(28,311)	-	(28,311)
Balance as at September 30, 2022	204,737	1,000,000	1,071,054	1,188,094	(2,413)	3,461,472
Balance as at October 01, 2022	204,737	1,000,000	1,071,054	1,188,094	(2,413)	3,461,472
During the year ended September 30, 2023						
Transaction with owners						
Final dividend for the year ended September 30, 2022 @ Rs 5.00 per share	-	-	(102,369)	-	-	(102,369)
Total Comprehensive Income for the year						
Profit for the year	-	-	295,344	-	-	295,344
Other Comprehensive Income	-	-	-	4,017,969	(71)	4,017,898
	-	-	295,344	4,017,969	(71)	4,313,242
Transferred from revaluation surplus on property, plant and equipment on account of incremental depreciation - net of tax (Note 19.2)	-	-	41,813	(41,813)	-	-
Share of associate's incremental depreciation of revaluation surplus - net of tax (Note 19.3)	-	-	8,877	(8,877)	-	-
Deferred tax adjustment due to change in tax rate directly credited to revaluation surplus (Note 22)	-	-	-	16,032	-	16,032
Share of associates' deferred tax adjustment due to change in tax rate directly credited to revaluation surplus - net of tax (Note 19.3)	-	-	-	(4,413)	-	(4,413)
Balance as at September 30, 2023	204,737	1,000,000	1,314,719	5,166,992	(2,484)	7,683,964

The annexed notes from 1 to 49 form an integral part of these financial statements.


NOOR MUHAMMAD ZAKARIA
Chief Executive Officer


ZIA ZAKARIA
Chairman


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Chief Financial Officer

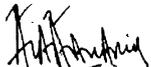


STATEMENT OF CASH FLOWS FOR THE YEAR ENDED SEPTEMBER 30, 2023

	2023	2022
Note	Rupees in thousand	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	478,302	213,277
Adjustments for:		
Depreciation of property, plant and equipment	4.1.1 334,996	320,770
Depreciation on right-of-use assets	5 7,365	7,176
Amortization of intangible assets	6 500	165
Gain on disposal of property, plant and equipment	33 (3,916)	(8,629)
Impairment allowance for slow moving trading stock	11.3 3,099	-
Impairment of export price differential	15 47,377	-
Impairment allowance for obsolescence and slow moving items	10.1 7,914	12,557
Finance cost	34 1,229,455	680,022
Interest on lease liability against right-of-use assets	21 2,097	114
Share of profit from associates - net	7 (598,016)	(257,895)
	<u>1,031,856</u>	<u>754,280</u>
Cash generated before working capital changes	1,510,158	967,557
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(113,246)	(65,455)
Stock in trade	(906,289)	(1,479,841)
Trade debts	165,063	(180,468)
Loans and advances	(4,907)	(11,810)
Trade deposits and short term prepayments	(5,959)	2,130
Other receivables	(56,719)	3,448
	<u>(922,057)</u>	<u>(1,731,996)</u>
Increase / (decrease) in current liabilities		
Trade and other payables	2,240,521	477,816
Short term borrowings	(753,432)	1,293,608
	<u>1,487,089</u>	<u>1,771,424</u>
	2,075,190	1,006,985
(Payments to) / Receipts from		
Income tax paid	(277,372)	(314,088)
Finance cost paid	(1,167,180)	(575,561)
(Increase) / Decrease in long term loans	(3,742)	466
(Increase) in long term deposits	(25)	(1,270)
	<u>(1,448,319)</u>	<u>(890,453)</u>
Net cash inflows from operating activities	626,871	116,532
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(397,485)	(409,499)
Additions right-of-use assets	-	-
Additions in intangible assets	-	(1,500)
Sale proceeds from disposal of property, plant and equipment	4,638	23,247
Dividend received from associate	131,991	42,897
Net cash used in investing activities	(260,856)	(344,855)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term financing	500,000	1,075,000
Repayment of long term financing	(831,045)	(718,672)
Repayment of lease liability against right-of-use assets	(8,674)	(4,647)
Dividend paid	(100,489)	(101,288)
Net cash inflows / (used in) from financing activities	(440,208)	250,393
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(74,193)	22,070
Cash and cash equivalents at the beginning of the year	253,552	231,482
Cash and cash equivalents at the end of the year	179,359	253,552

The annexed notes from 1 to 49 form an integral part of these financial statements.


NOOR MUHAMMAD ZAKARIA
Chief Executive Officer


ZIA ZAKARIA
Chairman


MUHAMMAD HANIF CHAMDIA
Chief Financial Officer

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

1. THE COMPANY AND ITS OPERATIONS

The Company was incorporated in Pakistan as a public limited company on August 08, 1969 and its shares are quoted at the Pakistan Stock Exchange Limited. The Company owns and operates sugar, medium density fiber (MDF) board and generation of power units which are located at Shahpur Jahania, District Shaheed Benazirabad and Noushero Feroze in the Province of Sindh respectively. The registered office of the Company is located at 96-A, Sindhi Muslim Cooperative Housing Society, Karachi, Sindh.

The registered office of the Company is located at 96-A, Sindhi Muslim Cooperative Housing Society, Karachi, Sindh. The Sugar mill occupies an area of over 150.175 Acres and MDF board division occupies an area of over 57.075 Acres.

2 BASIS OF PREPARATION

2.1 BASIS OF MEASUREMENT

These financial statements have been prepared under the 'historical cost convention' except otherwise specifically stated in the financial statements. The company uses accrual basis of accounting except for cash flow statement.

2.2 STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements have been prepared in Pak Rupees, which is the Company's functional currency.

2.4 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods as appropriate. In the process of applying the accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

a) Property, plant and equipment

The Company reviews appropriateness of the rate of depreciation, useful life and residual value used in the calculation of depreciation. Further, where applicable, an estimate of the recoverable amount of asset is made for possible impairment. In making these estimates, the Company uses technical resources available with the Company. The company also uses judgments and estimates in determining fair values of items carried at revalued amounts. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with corresponding effects on the depreciation and impairment.



(b) Intangibles

The Company reviews appropriateness of useful life. Further, where applicable, an estimate of recoverable amount of intangible asset is made for possible impairment as and when any such condition arise.

(c) Stock-in-trade

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

(d) Taxation

In making the estimate for income tax payable by the Company, the Company takes into account the applicable tax laws and decision by appellate authorities on certain issues in past. Due weightage is given to past history while determining the ratio of future export sales for the purposes of calculating deferred taxation.

Deferred tax assets are recognized for all unused tax losses and credits to the extent that it is probable that taxable profit will be available against such losses and credits can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(e) Impairment of non-financial assets

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

(f) Stores and spare parts and loose tools with respect to impairment allowance for obsolescence and slow moving items

The estimates of slow moving and obsolete stores, spare parts and loose tools, are made, using and appropriately judging the relevant inputs and applying the parameters i.e. age analysis, physical condition, obsolescence, etc. as the management considers appropriate, which, on actual occurrence of the subsequent event, may fluctuate. The effect of variation is given as and when it takes place.

(g) Impairment of financial assets

The Company reviews its doubtful trade debts, loans, deposits and receivables at each reporting date to assess whether an impairment allowance should be recorded in the statement profit or loss. In particular, judgment by management is required in the estimation of the recoverable amount and timing of future cash flow when determining the level of provision required. Such estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the provision. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in making payments are considered as indicators that the dues are doubtful and the impairment allowance is recognized in the statement profit or loss.

(h) Contingencies

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

(i) Provisions

Estimates with respect to provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

(j) Leases

The company uses judgements and estimates in measurement of right-of-use assets and corresponding lease liabilities with respect to discount rates, lease terms including exercise of renewal and termination option etc., as disclosed in note 3.1 (c) and 3.11.



2.5 STANDARDS, AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARD AND INTERPRETATIONS

2.5.1 Standards, interpretations and amendments to published approved accounting standards that became effective during the year

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

IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16 - Interest Rate Benchmark Reform (Amendments)

IFRS 16, - COVID-19, Related Rent Concessions beyond June 30, 2021 (Amendments)

Certain other amendments and annual improvements to existing standards have also become effective which are not relevant or do not have significant impact.

2.5.2 Standards, interpretations and amendments to published approved accounting standards that are not yet effective.

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

Amendment or Improvement		Effective date (annual periods beginning on or after)
IAS 1	Presentation of financial statements (Amendments regarding classification of liabilities)	January 1, 2023
IAS 8	Definition of Accounting Estimates (Amendments)	January 1, 2023
IAS 12	Deferred tax related to Assets and Liabilities arising from a single transaction (Amendments)	January 1, 2023
IAS 7	Statements of cashflow (Amendments) (Amendment regarding supplier finance arrangements)	January 1, 2023
IFRS-4	Insurance contracts (Amendments)	January 1, 2023
IFRS-7	Financial instruments	January 1, 2023
IFRS 16	Leases (Amendments) (Amendment regarding lease liability in a sale and lease back)	January 1, 2024

Further, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan and are not expected to have any material impact on the Company's financial statements in the period of initial application.

IFRS 1	First time adoption of International Financial Reporting Standards
IFRS 17	Insurance Contracts
IFRIC-12	Service concession agreement



3 SIGNIFICANT ACCOUNTING POLICIES

The Principal accounting policies adopted are set out below

3.1 Property, Plant and Equipments

a) Operating fixed assets

Recognition/measurement

Operating fixed assets except furniture, fixture & fittings, office equipment and vehicles are stated at revalued amounts less accumulated depreciation and impairment, if any. Furniture, fixture & fittings, office equipment and vehicles are stated at cost less accumulated depreciation and impairment, if any.

Depreciation

Depreciation is charged to income applying the reducing balance method at the rates specified in assets note no. 4.1 from the date asset is put into use. Depreciation on additions is charged from month of acquisition and up to the month preceding the month of disposal respectively.

Subsequent cost

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

The costs of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits associated with it will flow to the Company and its cost can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognized in statement of profit or loss as and when incurred.

Revaluation surplus

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

Derecognition

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

b) Capital work-in-progress

Capital work-in-progress is stated at cost accumulated up to the reporting date less impairment if any and represents costs / expenditures incurred on property, plant and equipment during the course of construction and implementation, including borrowing cost capitalized, if any. These are transferred to specific assets as and when assets are available for intended use.



c) Right-of-use assets

Right of use assets are initially measured at cost being the present value of lease payments, initial direct costs, any lease payments made at or before the commencement of the lease as reduced by any incentives received. These are subsequently measured at cost less accumulated depreciating and accumulated impairment losses, if any.

Depreciation is charged on straight line basis over the shorter of the lease term or the useful life of the assets. Where the ownership of the assets transfers to the company at the end of the lease term or if the cost of the asset reflects that the company will exercise the purchase option, depreciation is charged over the useful life of assets.

3.2 Intangible Asset

Intangible assets acquired by the company are stated at cost less accumulated amortization and impairment if any. Amortization is charged to income on straight line basis over the period specified in note 6.

3.3 Investment in Associates

The Investment in associates, where the company has significant influence, is accounted for under equity method. Under this method, the investment is initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of the profit or loss and other comprehensive income of the investee after the date of acquisition which is recognized in the statement of profit or loss and statement of comprehensive income respectively. Dividend received, if any, reduces the carrying amount of investment. Changes recognized directly in the associate's equity are recognized directly in the Company's equity in proportion of the equity held.

Investment is de-recognized when the Company has transferred substantially all risks and rewards of ownership and rights to receive cash flows from the investment has expired or has been transferred.

3.4 Stores, Spare parts and Loose Tools

Stores, spare parts and loose tools are valued at cost, using weighted average method. Items in transit are valued at cost comprising invoice value and other charges incurred thereon up to the reporting date. Adequate provision is made for obsolescence and slow moving items as and when required based on the parameters set out by the management as stated in note 2.4 (e).

3.5 Stock-in-Trade

Stock-in-trade except "by products" are valued at the lower of cost and net realizable value. By products are valued at net realizable value.

Cost is determined using weighted average cost basis except for those in transit which are stated at invoice price plus other directly attributable costs paid thereon up to the reporting date.

Cost of finished goods and work-in-process consist of cost of direct materials, labor and a proportion of manufacturing overheads based on normal capacity.

3.6 Trade Debts

Trade debts are carried at original invoice amount that is fair value of the goods sold less impairment allowance, if any. When a trade debt is uncollectable, it is written off.

3.7 Employees post employment benefits

Defined Contribution Plan

The Company operates an approved funded contributory provident fund scheme for all its employees eligible for benefit. Equal monthly contributions are made by the company and employees at the rate of 10% of basic salary plus cost of living allowance. The company's contribution to the fund is charged to statement of profit or loss for the year.

3.8 Compensated unavailed leaves

The Company accounts for its liability towards unavailed leaves accumulated by employees on accrual basis.



3.9 Taxation

a) Current Income Tax

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credits, rebates and exemptions available, if any, or minimum tax under section 113 or alternate corporate tax under section 113C of the Income Tax Ordinance, 2001, whichever is higher. The charge for current tax also includes adjustments, where considered necessary, to provision for taxation made in previous years arising from assessments framed during the year for such years. The Company falls under the final tax regime under section 154 and 169 of the Income Tax Ordinance, 2001 to the extent of export sales.

b) Deferred taxation

Deferred tax is recognized using liability method, on all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying values for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent it is probable that the deductible temporary differences will reverse in the future and sufficient taxable income will be available against which the deductible temporary differences can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted or substantively enacted by the reporting date. In this regard, the effect on deferred taxation of the portion of income expected to be subject to final tax regime is adjusted.

c) Sales tax

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

- i) Where sales tax incurred on a purchase of asset or service is not recoverable from the taxation authority, in which case the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- ii) Receivables or payables that are stated with the amount of sales tax included.
- iii) The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

3.10 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received.

3.11 Borrowings and their costs

Borrowings are recorded at the amount of proceeds received which is usually their fair value and subsequently carried at amortized cost.

Borrowing costs incurred on finances obtained for the construction/installation of qualifying assets are capitalized up to date the respective assets are available for the intended use. All other mark-up, interest and other related charges are taken to the statement of profit or loss currently.

3.12 Lease liabilities

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

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



3.13 Provisions and contingencies

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

3.14 Financial Instruments

3.14.1 Recognition

Financial assets and liabilities are recognised when the company become party to the contractual provision of the instrument.

3.14.2 Initial measurement

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value or amortised cost as the case may be.

3.14.3 Classification of financial assets

"The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. A financial asset is initially measured at fair value plus, transaction costs that are directly attributable to its acquisition.

The Company classifies its financial instruments in the following categories:

- at amortised cost.
- at fair value through profit or loss ("FVTPL"),
- at fair value through other comprehensive income ("FVTOCI"), or

Financial assets that meet the following conditions are classified as financial assets at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- 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 assets that meet the following conditions are classified as financial assets at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- 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.

By default, all other financial assets are classified as financial assets at FVTPL.

3.14.4 Classification of financial liabilities

Financial liabilities are classified as measured at amortized cost or 'at fair value through profit or loss' (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition.

3.14.5 Subsequent measurement

Financial assets and liabilities at amortised cost

These assets are subsequently measured at amortized cost using the effective interest method. In case of financial assets the amortized cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss. Any gain or loss on de-recognition is also recognized in the statement of profit or loss.



Financial assets at fair value through other comprehensive income (FVTOCI)

These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income. On derecognition of debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to statement profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to statement profit or loss, but is transferred to statement of changes in equity.

Financial assets and liabilities at fair value through profit or loss (FVTPL)

These are subsequently measured at fair value. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL and any interest / markup or dividend income are included in the statement profit or loss.

Where management has opted to recognise a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income/(loss).

3.14.6 Derecognition of Financial Instruments

The Company derecognises financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. The Company derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Any gain or loss on derecognition of financial asset or liability is also included to the statement profit or loss .

3.14.7 Offsetting of financial assets and liabilities

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

The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the company or the counter parties.

3.15 Impairment

a) Financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company applies the simplified approach to recognise lifetime expected credit losses for trade and other receivables, if any.

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

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



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

The Company considers evidence of impairment for receivable and other financial assets at specific asset level. Impairment losses are recognized as expense in statement of profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had been recognized.

b) Non-Financial assets

The carrying amount of non-financial assets is assessed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the recoverable amount of such assets is estimated.

An impairment loss is recognised if the carrying amount of a specific asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

Impairment losses are recognized in statement of profit or loss. Impairment losses recognized in respect of cash-generating units are allocated to reduce the carrying amount of the assets of the unit on a pro-rata basis. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.16 Revenue Recognition

Revenue is recognized when or as performance obligation are satisfied. Revenue is measured at the fair value of the consideration received or receivable and is recognized on following basis:

- Revenue from sale of goods is recognized when control of goods is transferred to customers, usually on dispatch of the goods to customers.
- Return on bank deposits is recognized on a time proportion basis on accrual basis at applicable rate.
- Mark-up on grower loan is accounted for in line with the recovery of the respective loan due to exigencies involved in such matters. Recognition of markup on loans considered doubtful is deferred.
- Share of the profit or loss of associates is taken to statement of profit or loss under equity method, share of revaluation surplus is taken to other comprehensive income and dividend is credited to investment in associate in the period when the Company's right to receive the payment is established (note 7).

3.17 Foreign currency transactions and translation

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

3.18 Cash and Cash Equivalents

For the purpose of cash flow statement cash and cash equivalents comprises cash in hand, balances with banks on current, savings and deposit accounts.



3.19 Segment Reporting

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relates to transactions with any of the company's other components. Operating segments are reported in a manner consistent with the internal reporting structure based on the operating (business) segments of the company. An operating segment's operating results are regularly reviewed by the management and the chief executive officer for the purpose of making decisions regarding resource allocation and performance assessment and for which discreet financial information is available.

Segment results, assets and liabilities include items directly attributable to segment as well as those that can be allocated on a reasonable basis. Segment assets, consist primarily of property, plant and equipment, intangibles, stores and spares, stock in trade and other debts. Segment liabilities comprise of operating liabilities and exclude items that are common to all operating segments.

The accounting policies of the reportable segments are the same as the Company's accounting policies described in this note. Inter-segment transactions are recorded at fair value i.e., at the average price prevailing in the market. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment and intangible assets.

3.20 Dividends and other appropriations

Dividend and appropriation to reserves are recognized in the financial statements in the period in which these are approved.

3.21 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. 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.

	Note	2023	2022
		Rupees in thousand	
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	9,427,171	4,787,410
Capital work in progress	4.2	231,646	126,445
		9,658,817	4,913,855



4.1 OPERATING FIXED ASSETS

PARTICULARS	2023											
	NET CARRYING VALUE					GROSS CARRYING VALUE						
	Opening Net Book Value At Oct 01, 2022	Direct Additions	Transfer From CWIP	Disposal during the year	Depreciation	Revaluation Surplus	Net Book Value At Sep 30, 2023	Cost	Accumulated Depreciation	Net Book Value At Sep 30, 2023	Depreciation Rate	
Rupees in thousand												
FREE HOLD LAND												
Cost	68,312	-	-	-	-	-	68,312	68,312	-	68,312		
Revaluation	294,991	-	-	-	-	316,697	611,688	611,688	-	611,688		
FACTORY BUILDING												
Cost	117,716	-	915	-	11,825	-	106,806	265,995	159,189	106,806	10%	
Revaluation	85,071	-	-	-	8,507	200,841	277,405	277,405	-	277,405		
NON FACTORY BUILDING												
Cost	111,917	-	-	-	5,940	-	105,977	225,363	119,386	105,977	5% - 10%	
Revaluation	392,380	-	-	-	20,897	577,510	948,993	948,993	-	948,993		
POWER PLANT												
Cost	595,268	17,759	-	-	67,525	-	545,502	959,828	414,326	545,502	10%	
Revaluation	9,327	-	-	-	933	294,494	302,888	302,888	-	302,888		
PLANT AND MACHINERY												
Cost	2,392,230	30,233	181,534	-	148,651	-	2,455,346	4,996,397	2,541,051	2,455,346	5% - 20%	
Revaluation	582,009	-	-	-	29,397	3,293,653	3,846,265	3,846,265	-	3,846,265		
FURNITURE, FIXTURE AND FITTINGS												
Cost	1,116	-	-	-	112	-	1,004	20,150	19,146	1,004	10%-33%	
OFFICE EQUIPMENT												
Cost	24,949	7,764	-	-	12,709	-	20,004	135,502	115,498	20,004	33%	
VEHICLES												
Cost	112,124	54,079	-	722	28,500	-	136,981	323,638	186,657	136,981	20%	
TOTAL												
Cost	3,423,632	109,835	182,449	722	275,262	-	3,439,932	6,995,185	3,555,253	3,439,932		
Revaluation	1,363,778	-	-	-	59,734	4,683,195	5,987,239	5,987,239	-	5,987,239		
	4,787,410	109,835	182,449	722	334,996	4,683,195	9,427,171	12,982,424	3,555,253	9,427,171		



2022											
PARTICULARS	NET CARRYING VALUE					GROSS CARRYING VALUE					
	Opening Net Book Value At Oct 01, 2021	Direct Additions	Transfer From CWIP	Disposal during the year	Depreciation	Transfer at NBV - Lease to owned	Net Book Value At Sep 30, 2022	Cost	Accumulated Depreciation	Net Book Value At Sep 30, 2022	Depreciation Rate
Rupees in thousand											
FREE HOLD LAND											
Cost	68,312	-	-	-	-	-	68,312	68,312	-	68,312	
Revaluation	294,991	-	-	-	-	-	294,991	294,991	-	294,991	
FACTORY BUILDING											
Cost	127,621	-	2,947	-	12,852	-	117,716	265,080	147,364	117,716	10%
Revaluation	94,524	-	-	-	9,453	-	85,071	191,286	106,215	85,071	
NON FACTORY BUILDING											
Cost	118,210	-	-	-	6,293	-	111,917	225,363	113,446	111,917	5% - 10%
Revaluation	414,526	-	-	-	22,146	-	392,380	632,591	240,211	392,380	
POWER PLANT											
Cost	482,367	-	169,018	-	56,117	-	595,268	942,069	346,801	595,268	10%
Revaluation	10,363	-	-	-	1,036	-	9,327	22,820	13,493	9,327	
PLANT AND MACHINERY											
Cost	2,430,375	64,616	41,404	-	144,165	-	2,392,230	4,784,630	2,392,400	2,392,230	5% - 20%
Revaluation	613,031	-	-	-	31,022	-	582,009	1,508,898	926,889	582,009	
FURNITURE, FIXTURE AND FITTINGS											
Cost	1,241	-	-	-	125	-	1,116	20,150	19,034	1,116	10%-33%
OFFICE EQUIPMENT											
Cost	21,748	13,972	-	-	10,771	-	24,949	127,738	102,789	24,949	33%
VEHICLES											
Cost	116,916	36,616	-	14,618	26,790	-	112,124	274,010	161,886	112,124	20%
TOTAL											
Cost	3,366,790	115,204	213,369	14,618	257,113	-	3,423,632	6,707,352	3,283,720	3,423,632	
Revaluation	1,427,435	-	-	-	63,657	-	1,363,778	2,650,586	1,286,808	1,363,778	
	4,794,225	115,204	213,369	14,618	320,770	-	4,787,410	9,357,938	4,570,528	4,787,410	

4.1.1 Depreciation for the year has been allocated as follows:

	Note	2023	2022
Rupees in thousand			
Cost of Sales	28.1	266,838	254,645
Administrative expenses	31	68,158	66,125
		334,996	320,770

**4.1.2 Detail of property, plant and equipment disposed off are as follow:
- by negotiation except otherwise stated**

Particulars	Cost	Accumulated depreciation	Written down value	Sale proceeds	Gain/(Loss) on disposal	Particulars of Buyer	Mode of disposal
..... Rupees in thousand							
VEHICLES							
Aggregate of Four Motor Vehicles with Individual book values not exceeding Rs.500,000	4,451	3,729	722	4,638	3,916	Various	Negotiation
2023	4,451	3,729	722	4,638	3,916		
2022	24,356	9,738	14,618	23,247	8,629		

4.1.3 The Company carries its land, building and plant and machinery on revaluation model in accordance with IAS -16 "Property, Plant and Equipment". Revaluation is carried out by independent value and last revaluation was carried out based on asset as of September 30, 2023 through this report dated October 21, 2023.

a) Had there been no revaluation of the aforementioned assets, the carrying value at historical cost would have been as follows:

	2023	2022
Rupees in thousand		
Freehold land	68,312	68,312
Factory Building	106,806	117,716
Non-factory Building	105,977	111,917
Power plant	545,502	595,268
Plant and machinery	2,455,346	2,392,230
	3,281,943	3,285,443

b) Forced sale value of the revalued item of property, plant and equipment based on latest revaluation as of September 30, 2023 are as follows;

Freehold Land	544,000	363,303
Building including factory/ non-factory and other building	1,151,344	812,580
Plant and Machinery including power plant	5,005,000	3,300,800



4.2 Capital work in progress

		2023				
Opening Balance	Reclassification	During the year		Closing Balance		
		Capital expenditure incurred	Transferred to operating fixed assets			
----- Rupees in thousand -----						
Civil works - Factory and non-factory building		32,758	-	34,161	(915)	66,004
Plant and machinery	4.2.1	93,687	-	253,489	(181,534)	165,642
Plant and machinery-owned		126,445	-	287,650	(182,449)	231,646

		2022				
Opening Balance	Reclassification	During the year		Closing Balance		
		Capital expenditure incurred	Transferred to operating fixed assets			
----- Rupees in thousand -----						
Civil works - Factory and non-factory building		8,138	(2,500)	30,067	(2,947)	32,758
Plant and machinery including power plant	4.2.1	37,381	2,500	264,228	(210,422)	93,687
		45,519	-	294,295	(213,369)	126,445

4.2.1 Additions to plant and machinery under installation includes borrowing cost of Rs.Nil (2022: 13.11 million) capitalized at the effective rate of Nil (2022: SBP+1.50% which is 3.5%).

	2023	2022
	Rupees in thousand	
5 RIGHT-OF-USE ASSETS		
Building premises		
Net carrying values		
Opening	3,429	10,605
Modification during the year	23,300	-
Depreciation charged to administrative expense	(7,365)	(7,176)
Net book value	19,364	3,429
Gross Carrying values		
Cost	44,829	21,529
Accumulated Depreciation	(25,465)	(18,100)
	19,364	3,429
Useful Life	3 years	3 years



	2023	2022
	Rupees in thousand	
6 INTANGIBLE ASSET		
Software		
Net Carrying value basis		
Opening carrying value	1,335	-
Additions during the year - at cost	-	1,500
Amortization for the year	(500)	(165)
	835	1,335
Gross Carrying value basis		
Cost	16,936	16,936
Accumulated amortisation	(16,101)	(15,601)
	835	1,335

6.1 The Cost is being amortised using straight line method over a period of 3 years.

6.2 Cost of fully amortized intangible assets which are still in use of the Company aggregated to Rs. 15.436 million. (2022: 15.436 million)

7 LONG TERM INVESTMENTS

Investment in associates: -

	Shahmurad Sugar Mills Limited	Al Noor Modaraba Management (Pvt.) Limited	Total 2023	Restated Total 2022
----- Rupees in thousand -----				
Opening balances	939,768	1,095	940,863	729,327
Share of profit /(loss) of associates	598,064	(48)	598,016	257,895
Share of associate's unrealized gain / (loss) on value remeasurement of associate's investment at fair value through other comprehensive income	(10)	(73)	(83)	215
Share of associate's surplus on revaluation of property, plant and equipment during the year	758,498	-	758,498	-
Share of associate's tax rate impact related to its surplus on revaluation of property, plant and equipment	(5,190)	-	(5,190)	-
Share of associate's tax rate impact related to its surplus on revaluation of property, plant and equipment	-	-	-	(3,677)
Dividend received from associate	(131,991)	-	(131,991)	(42,897)
	1,219,371	(121)	1,219,250	211,536
Closing Balance	2,159,139	974	2,160,113	940,863



- 7.1 The Company holds 3,299,784 (15.625%) and 500,000 (14.285%) fully paid ordinary shares of Shahmurad Sugar Mills Limited (SSML) and AI-Noor Modaraba Management (Pvt.) Limited (ANMM) respectively. Original cost of investments in SSML and ANMM is Rs. 21.631 million and Rs. 5 million respectively. SSML and ANMM being group companies of AI-Noor Group and having common directors are associates of the Company and this strategic investment in associates is accounted for using equity method.

SSML was incorporated in Pakistan as a public limited company on April 9, 1979. Its shares are quoted at the Pakistan Stock Exchange Limited. SSML owns and operates Sugar and Ethanol manufacturing units which are located at Jhok, District Thatta in the Province of Sindh. The registered office of SSML is located at 96-A, Sindhi Muslim Cooperative Housing Society, Karachi, Sindh. Chief Executive of SSML is Mr.Zia Zakaria. The market value (based on quoted market price on Pakistan Stock Exchange Limited) of shares of Shahmurad Sugar Mills Limited as at September 30, 2023 was Rs. 658.307 million (2022 : Rs.353.11 million).

ANMM was incorporated on July 21, 1991, its principal business is to float and manage MODARABA and its principal place of business is situated at 96-A, S.M.C.H.S. Karachi. Chief Executive of ANMM is Mr.Zain Ayoob. In view of regulatory framework applicable in Pakistan the financial year end of ANMM is June 30, 2023 and since there are no significant change in the associate's financial affairs up to September 30, therefore, the financial results of ANMM as June 30,2023 have been used for the purpose of application of equity method.

- 7.2 Summarized financial information of associates based on their latest available audited financial statements is as follows: -

	2023		2022	
	Shahmurad Sugar Mills Limited	AI Noor Modaraba Management (Pvt.) Limited	Shahmurad Sugar Mills Limited	AI Noor Modaraba Management (Pvt.) Limited
----- Rupees in thousand -----				
Number of shares held	3,299,784	500,000	3,299,784	500,000
Cost of investment	21,631	5,000	21,631	5,000
Ownership interest	15.625%	14.285%	15.625%	14.285%
Assets, Liabilities and net assets				
Assets				
Tangible and intangible fixed assets	10,859,038	207	5,551,147	277
Long term investments	973	14,560	1,094	14,742
Other non current assets	5,016	-	3,739	-
Current assets	11,732,998	39	7,494,696	674
	22,598,025	14,806	13,050,676	15,693
Liabilities				
Non - current liabilities	(1,344,713)	(1,126)	(818,987)	(1,126)
Current liabilities	(7,434,794)	(1,157)	(6,217,140)	(1,195)
	(8,779,507)	(2,283)	(7,036,127)	(2,321)
Net assets	13,818,518	12,523	6,014,549	13,372
Less: Loan from director included in equity	-	(5,719)	-	(5,719)
	13,818,518	6,804	6,014,549	7,653
Share of net assets / Breakup value of investments	2,159,139	974	939,773	1,094
Operating Results				
Revenue / Income	23,549,635	13	17,849,281	8
Total expenses	(19,139,112)	(386)	(15,882,557)	(319)
Share of (loss) / profit of associates	(48)	36	(50)	(36)
Taxation	(582,864)	-	(315,823)	-
Profit / (Loss) after taxation for the year	3,827,611	(337)	1,650,851	(347)
Share of AI-Noor Sugar Mills Limited	598,064	(48)	257,945	(50)
Other comprehensive income / (loss)	4,854,321	(512)	186	1,302
Share of AI-Noor Sugar Mills Limited - Other comprehensive income / (loss)	758,488	(73)	29	186



	Note	2023	2022
Rupees in thousand			
8 LONG TERM LOANS			
Secured & Interest free			
Considered good			
Due from - Executives	8.1	3,526	2,716
- Non Executive employees		21,869	13,710
		25,395	16,426
Less : Current portion of loans			
Due from - Executives		(2,265)	(916)
- Non Executive employees	13	(15,083)	(11,205)
		(17,348)	(12,121)
		8,047	4,305
8.1 Movement of outstanding amount of loans to Executives:			
Balance at the beginning of the year		2,716	3,065
Disbursed during the year		4,120	3,500
Recovered during the year		(3,310)	(3,849)
Balance at the end of the year		3,526	2,716
8.2	Loans and advances have been given in accordance with the terms of employment and are recoverable within a maximum period of three years in monthly installments. These are usually granted against the retirement benefits. These interest free long term loans have been carried at cost as the effect of carrying these balances at amortised cost would not be material.		
8.3	The maximum aggregate amount due from executives at any month end during the year was Rs. 6.836 million (2022: 6.565 million).		
9 LONG TERM DEPOSITS			
Considered good-Interest free			
Utilities		647	647
Others		4,916	4,891
		5,563	5,538
10 STORES, SPARE PARTS AND LOOSE TOOLS			
Stores		331,349	265,718
Spare parts		443,947	396,344
Loose tools		900	921
Stores in transit		33	-
		776,229	662,983
Less: Impairment allowance for obsolescence and slow moving items	10.1	(126,484)	(118,570)
		649,745	544,413
10.1 Impairment allowance for obsolescence and slow moving items			
Opening balance		118,570	106,013
Allowance for the year	32	7,914	12,557
Closing balance		126,484	118,570



	Note	2023	2022
Rupees in thousand			
11 STOCK IN TRADE			
Raw material - in hand	28.1.1	776,096	529,727
- in transit		137,494	22,704
		913,590	552,431
Sugar in process	28.1	13,731	5,237
Finished goods			
Sugar	11.1	2,877,187	2,526,714
MDFB Sheets	11.2	434,502	204,322
	28	3,311,689	2,731,036
Bagasse		15,513	59,530
Molasses		-	-
Trading stock of laminated flooring / Edge Banding		3,099	3,099
Less: Impairment allowance	11.3	(3,099)	-
		-	3,099
		4,254,523	3,351,333
11.1	Stocks of refined sugar amounting to Rs.1,799 million (2022: 2,658.45 million) is pledged against cash finance facilities and Murabaha / Istisna arrangements as referred in Note.25.		
11.2	Stock in trade includes stocks costing Rs.466.308 million (2022: Rs. 490.514 million) written down to their net realizable value of Rs.432.398 million (2022: Rs.440.514 million).		
11.3 Impairment allowance			
Opening balance		-	-
Allowance for the year		3,099	-
Closing balance		3,099	-
12 TRADE DEBTS			
Unsecured, considered good			
Against Local sales		394,826	470,399
Against Power (Sukkur Electric Power Company)		10,460	100,935
		405,286	571,334
Unsecured, considered doubtful			
Against Local sales		8,864	7,879
Less: Expected credit loss against trade debts	12.1	(8,864)	(7,879)
		-	-
		405,286	571,334
12.1 Expected credit loss against trade debts			
Opening balance		7,879	7,879
Allowance for the year	32	985	-
Closing balance		8,864	7,879



	Note	2023	2022
Rupees in thousand			
13 LOANS AND ADVANCES			
Secured and Interest free			
Current portion of long term loans	8	17,348	12,121
Un-secured and Interest free			
Considered good			
Advances against purchases and services		80,089	85,120
Advances to employees against expense		8,910	7,125
Advance to growers		32,132	29,206
		121,131	121,451
Considered doubtful			
Loans to growers	13.2	-	36,801
Advances for purchase and services		-	1,555
Advances for transportation		-	2,740
		-	41,096
		138,479	174,668
Impairment allowance against loans and advances considered doubtful	13.1	-	(41,096)
		138,479	133,572
13.1 Impairment allowance against loans and advances considered doubtful			
Opening balance		41,096	41,096
Written off		(41,096)	-
Closing balance		-	41,096
13.2			
These loans were given to farmers/growers for sugar cane cultivation and land development carrying interest @ 10% p.a which is accounted for in line with the recovery of the respective loan. These loans were adjustable against purchase of sugarcane from respective growers. Impairment allowance was already provided there against as a matter of prudence, however these loans have been written off during the year being irrecoverable.			
14 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Trade deposits		7,426	3,058
Short term prepayments		3,175	1,584
		10,601	4,642



	Note	2023	2022
Rupees in thousand			
15 OTHER RECEIVABLES			
Considered good			
Receivables from related parties	15.1	10,078	862
Sales tax receivable	26.4	31,173	31,173
Export subsidy	15.2	148,156	148,156
Others		732	606
		190,139	180,797
Considered doubtful			
Export freight subsidy from Trade Development Authority of Pakistan	15.2	49,779	49,779
Export subsidy from Federal Government through State Bank of Pakistan	15.2	251,500	251,500
Cane Development Cess	15.2	8,238	8,238
Export price differentials	15.3	47,377	-
		356,894	309,517
Less: Impairment allowance against receivables			
Opening		(309,517)	(309,517)
Charge for the year		(47,377)	-
		(356,894)	(309,517)
		-	-
		190,139	180,797

- 15.1** These represent insurance claims receivable from Reliance Insurance Company Limited a related party. The maximum aggregate amount due from related parties at the end of any month during the year was Rs.17.078 million (2022: 8.4 million).
- 15.2** The Company is continuously pursuing for the recovery of these export subsidies and cane development cess and the Company has also filed suit in this matter in the Honourable Sindh High Court. However due to uncertainties regarding the timing and extent of their realisation the Company, as a matter of prudence, has recorded impairment allowance there against based on the management estimates.
- 15.3** During the year, sugar mills were allowed export of sugar subject to certain conditions and specified quota share. Government of Sindh allowed quota of 2,500 metric tons for export to each sugar mill operating in Sindh, however, the same was disputed by certain sugar mills and the matter was taken before the Honorable High Court of Sindh. The Court through interim arrangement, as agreed by all concerned sugar mills, directed all sugar mills to export the quantity as allowed by Government of Sindh, i.e., 2,500 metric tons, provided the sugar mills deposit differential amount of Rs. 96,100 per metric ton (Being the difference of net export price, i.e., Rs. 196,100 per metric ton and local price i.e., Rs. 100,000 per metric ton) for disputed quantity of export i.e., 493 tons (as specified in the interim order) per sugar mill. The Court ordered to deposit the said amount shall be invested by the Court and upon final decision the amount deposited along with profit earned thereon would be returned to respective sugar mills if the matter is decided in their favor otherwise the amount would be disbursed to the aggrieved sugar mills. The Company opted to export the said disputed quantity of sugar and has deposited amount of Rs. 47.377 million with the Honorable Court. Moreover, as a matter of prudence and abundant precaution, the Company has recorded provision against the said amount.



	Note	2023 Rupees in thousand	2022
16 SHORT TERM INVESTMENT			
Term deposit with bank - against Super-tax - at amortised cost	16.1	3,061	-
Meezan Rozana Amdani Fund - at fair value through profit or loss		99,833	82,450
		102,894	82,450

16.1 This TDR having maturity of 3 months and is role-overd automatically upon maturity. This carries profit at the rate of 20.95%. This is lien marked against bank guarantee of Rs. 5.1018 million provided to Nazir High Court of Sindh in the matter of super tax against the order passed in case C.P NO D-6422.

17 CASH AND BANK BALANCES

Cash in hand		5,593	16,417
Cash at banks			
In Current accounts		129,038	109,498
In Foreign currency		15,482	-
In Saving accounts	17.1	29,246	127,637
	17.2	173,766	237,135
		179,359	253,552

17.1 This carry profit at the rates ranging between 7.24% to 18.50% (2022: 2.61% to 15.02% p.a).

17.2 This includes deposits of Rs.63.610 million (2022: Rs. 260.308 million) with Shariah Compliant financial institutions.

18 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2023 No. of Shares	2022 No. of Shares	Note	2023 Rupees in thousand	2022
3,617,635	3,617,635	Ordinary shares of Rs.10 each allotted for consideration paid in cash.	36,177	36,177
884,637	884,637	Ordinary shares of Rs. 10 each allotted as fully paid up other than in cash (issued in terms of loan arrangement and debenture trust deeds).	8,846	8,846
15,971,430	15,971,430	Ordinary shares of Rs. 10 each allotted as bonus shares.	159,714	159,714
20,473,702	20,473,702		204,737	204,737

18.1 As at year end, the associated companies hold 2,765,950 (13.51%) shares of the Company (2022: 2,765,950 i.e. 13.51%).

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



	Note	2023	2022 Restated
Rupees in thousand			
19 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT			
Surplus on revaluation of property, plant and equipment	19.2	4,374,574	1,027,110
Share of associates' surplus on revaluation of property, plant and equipment	19.3	792,418	160,984
		5,166,992	1,188,094
19.1	The revaluation surplus on property, plant and equipment is not available for distribution to shareholders of the company in accordance with the provision of section 240 (2) of the Companies Act 2017.		
19.2 Surplus on revaluation of property, plant and equipment			
Opening balance - gross		1,363,778	1,427,435
Incremental depreciation - net of deferred tax		(41,814)	(43,605)
Related deferred tax liability		(17,920)	(20,052)
		(59,734)	(63,657)
Revaluation surplus during the year arising on fresh revaluation		4,683,195	-
Closing balance - gross		5,987,239	1,363,778
Related deferred tax liability		(1,612,665)	(336,668)
Revaluation surplus net of deferred tax		4,374,574	1,027,110
19.3 Share of associates' surplus on revaluation of property, plant and equipment			
Opening balance		189,393	204,555
Transfer from surplus on revaluation of property, plant and equipment on account of Share of associate's incremental depreciation of revaluation surplus		(10,444)	(11,485)
Share of associate's effect of change in tax rate debited in statement of changes in equity		(5,190)	(3,677)
Surplus on revaluation of property, plant and equipment during the year		758,498	-
		932,257	189,393
Related deferred tax	19.3.1	(139,839)	(28,409)
		792,418	160,984
19.3.1	This include prior period impact of Rs. 28,409 which was inadvertently routed through statement of profit or loss. The impact being immaterial in the overall context of financial statements, is adjusted in current period.		
19.4	The revaluation surplus on property, plant and equipment is not available for distribution to shareholders of the Company in accordance with the section 240 of the Companies Act 2017.		
20 LONG TERM FINANCING- Secured			
Conventional			
Banks	20.1	166,666	333,333
Financial institutions other than banks	20.1	418,026	549,486
		584,692	882,819
Islamic			
Diminishing Musharaka	20.1	2,144,166	2,177,083
		2,728,858	3,059,902
Less:-current maturity shown under current liabilities		(942,065)	(831,045)
		1,786,793	2,228,857

20.1 Details of long term financing

	BANKS										OTHER FINANCIAL INSTITUTION			TOTAL		
	Bank Al Falah Ltd	Dubai Islamic Bank Limited	MCB Islamic Bank Limited	Faysal Bank Ltd	Faysal Bank Ltd	Faysal Bank Ltd	Meezan Bank Ltd	Meezan Bank Ltd	Meezan Bank Ltd	Meezan Bank Ltd	Total	PAIF Investment Company Ltd	Pat Borne Investment Company Ltd	Total	2023	2022
(Rupees in the usd)																
Opening balance	353,333	500,000	283,333	275,000	225,000	150,000	400,000	343,750	-	2,510,416	349,487	200,000	549,487	3,059,903	2,705,574	
Add: Receipts	-	-	-	-	-	-	-	-	500,000	500,000	-	-	-	500,000	1,075,000	
Less: Requirement	155,667	31,250	66,667	100,000	50,000	50,000	150,000	125,000	-	698,584	31,461	100,000	131,461	831,045	716,572	
Closing balance	197,666	468,750	216,666	175,000	175,000	100,000	240,000	218,750	500,000	2,310,832	318,025	100,000	418,025	2,728,857	3,069,902	
Less: Current Maturity	155,666	125,000	66,667	13,750	100,000	50,000	150,000	125,000	500,000	807,083	34,982	100,000	134,982	942,065	831,045	
Shown under current liabilities	343,750	343,750	149,999	261,250	25,000	50,000	50,000	53,750	500,000	1,593,745	283,044	-	283,044	1,786,789	2,228,857	
Description	Finance	Diminishing Musharaka	Diminishing Musharaka	Diminishing Musharaka	Diminishing Musharaka	Diminishing Musharaka	Diminishing Musharaka	Diminishing Musharaka	Diminishing Musharaka	Diminishing Musharaka	Finance	Long Term Finance	Long Term Finance			
Sanctioned/Sale Price/Disbursed Amount (Rs in million)	500	500	300	275	500	250	800	500	500	500	350	300				
Facility Tenor	5 Years	5 Years	5 Years	7 Years	7 Years	7 Years	7 Years	7 Years	7 Years	7 Years	12 Years	5 Years				
Grace Period	2 Year	1 Year	6 Month	2 Year	2 Year	2 Year	2 Year	1 Year	2 Years	2 Years	2 Year	2 Year				
Effective rate of markup (per annum)	3 M KIBOR + 1.75%	3 M KIBOR + 1.00%	3 M KIBOR + 1.50%	3 M KIBOR + 1.25%	3 M KIBOR + 0.80%	3 M KIBOR + 0.50%	3 M KIBOR + 0.50%	3 M KIBOR + 1.00%	3 M KIBOR + 1.00%	3 M KIBOR + 1.00%	SPB Rate + 1.50%	3 M KIBOR + 2.00%				
Installments Payable	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly				
Number of installments	12	16	18	20	20	20	10	16	20	20	40	12				
Date of disbursement	13-09-2019	27-06-2022	30-11-2021	09-05-2022	22-12-2018	24-07-2017	01-06-2017	27-12-2019	27-12-2022	27-12-2022	28-07-2020	01-09-2019				
Date of maturity	13-09-2024	27-06-2027	24-10-2026	09-05-2029	26-12-2024	23-07-2025	01-03-2025	27-05-2025	27-06-2026	27-06-2026	27-07-2032	01-09-2024				
SECURITIES																
Bank Al Falah Ltd. Rs. 500-M	First pari passu hypothecation charge over all fixed assets including land, building, Plant & Machinery of Al-Noor Sugar Mills Limited-Sugar Division															
Dubai Islamic Bank Rs. 500-M	First pari passu EM & hypothecation charge over all fixed assets including land, building, Plant & Machinery of Al-Noor Sugar Mills Limited-MCFB-Division															
MCB Islamic Bank Limited-Rs.300-M	First pari passu hypothecation charge over all fixed assets including land, building, Plant & Machinery of Al-Noor Sugar Mills Limited-Sugar Division															
Faysal Bank Limited Rs.275-M	First pari passu EM & hypothecation charge over all fixed assets including land, building, Plant & Machinery of Al-Noor Sugar Mills Limited-MCFB-Division															
Faysal Bank Limited Rs.500-M	First pari passu EM & hypothecation charge over all fixed assets including land, building, Plant & Machinery of Al-Noor Sugar Mills Limited-MCFB-Division															
Faysal Bank Limited Rs.250-M	First pari passu hypothecation charge over all fixed assets including Plant & Machinery of Al-Noor Sugar Mills Limited-MCF-Division															
Meezan Bank Ltd. Rs.800-M	First pari passu hypothecation charge over all fixed assets including Plant & Machinery of Al-Noor Sugar Mills Limited-Sugar Division															
Meezan Bank Ltd. Rs.500-M	First pari passu hypothecation charge over all fixed assets including Plant & Machinery of Al-Noor Sugar Mills Limited-Sugar Division															
Meezan Bank Ltd. Rs.500-M	First pari passu hypothecation charge over all fixed assets including Plant & Machinery of Al-Noor Sugar Mills Limited-Sugar Division															
Pat Investment Co Ltd. Rs.350-M	First pari passu EM & hypothecation charge over all fixed assets including land, building, Plant & Machinery of Al-Noor Sugar Mills Limited-MCFB-Division															
Pak Borne Investment Co. Ltd. Rs.300-M	First pari passu EM & hypothecation charge over all fixed assets including Land, Building, Plant & Machinery of Al-Noor Sugar Mills Ltd-MCFB-Division															



	Note	2023	2022
		Rupees in thousand	
21 LEASE LIABILITY AGAINST RIGHT-OF-USE-ASSETS			
Opening Balance		712	5,245
Additions during the year		23,300	-
Accretion of interest		2,097	114
Payment		(8,674)	(4,647)
Closing Balance		17,435	712
Less: Current portion		(6,465)	(712)
Non-Current		10,970	-

21.1 LEASE LIABILITIES ARE PAYABLE AS FOLLOWS

	Minimum Lease Payments	Interest	Present Value of Minimum Lease Payment
Less than one year	8,562	2,097	6,465
Between one to five years	12,780	1,810	10,970
	21,342	3,907	17,435

	Minimum Lease Payments	Interest	Present Value of Minimum Lease Payment
Less than one year	726	14	712
Between one to five years	-	-	-
	726	14	712

	Note	2023	2022 Restated
		Rupees in thousand	
22 DEFERRED TAXATION			
Opening Balance		526,342	609,631
Effect of change in tax rate related to revaluation surplus		(16,032)	28,311
Effect of share of change in tax rate related to associate's revaluation Surplus		(779)	(551)
Effect of items taken to other comprehensive income and statement of changes in equity		1,423,711	32
Credited to statement of profit or loss		(38,471)	(111,081)
	22.1	1,894,771	526,342

	Note	2023	2022
Rupees in thousand			
22.1 Deferred tax liabilities / (assets) arising in respect of;			
Taxable temporary differences			
Accelerated depreciation		554,332	516,806
Investment in associates		320,022	137,686
Surplus on revaluation of property, plant and equipment	19.2	1,612,665	336,117
		2,487,019	990,609
Deductible temporary differences			
Impairment allowances and other provision		(47,860)	(54,418)
Minimum tax carried forward		(446,059)	(331,178)
Unabsorbed losses		(98,329)	(78,671)
		(592,248)	(464,267)
		1,894,771	526,342
23 TRADE AND OTHER PAYABLES			
Creditors		927,042	449,177
Accrued expenses		129,207	99,046
Advances from customers	23.1 & 23.2	2,358,210	626,378
Workers' Profit Participation fund	23.4	-	-
Workers' welfare fund		23,790	20,687
Sales tax payable		224,440	226,388
Payable to provident fund - related party		345	1,148
Trade deposits and retention money	23.3	1,732	1,421
		3,664,766	1,424,245
23.1	This includes advance from M/s. Shahmurad Sugar Mills Limited (an associated company) of Rs.Nil (2022: 237.502)		
23.2	During the year, performance obligation underlying the opening contract liability of Rs. 626.378 million were satisfied in full. Accordingly, the said liability was recorded as revenue during the year. In addition, information regarding the timing of satisfaction of performance obligations underlying the closing contract liability of Rs. 2,358.210 million is not presented since the expected duration of all the contracts entered into with the customers is less than one year.		
23.3	These are utilized for the purpose of the business as per agreements, in compliance with the requirements of the section 217 of the Companies Act, 2017.		
23.4 Workers' Profit Participation fund			
Opening balance		-	23,098
Interest on funds utilized	23.4.1	-	475
		-	23,573
Payments made during the year		-	(23,573)
Closing balance		-	-
23.4.1	This carries interest at the rate prescribed under Companies Profit (Workers Participation) Act, 1968 and effective rate of interest applied during the year was Nil (2022: 37.50%).		



	Note	2023	2022
Rupees in thousand			
24 ACCRUED FINANCE COST			
On long term financing		62,456	32,313
On short term borrowings		146,057	113,923
		<u>208,513</u>	<u>146,236</u>
24.1	This includes Rs.134.543 (2022: Rs. 75.73 million) in respect of borrowings under Shariah Compliant arrangements.		
25 SHORT TERM BORROWINGS			
From banking companies - Secured			
Running finance/Cash finance	25.1	805,018	1,561,432
Murabaha / Istisna	25.2	1,099,998	1,097,016
		<u>1,905,016</u>	<u>2,658,448</u>
25.1	These carry markup at rates ranging from 3 month KIBOR+0.10% to 3 month KIBOR+0.50%. (2022 : 3 month KIBOR+0.10% to 3 month KIBOR+0.50) per annum chargeable and payable quarterly. These facilities are secured against pledge of refined sugar(hypothicated/pledge charge over stocks refer note 11.1) and 1st pari passu equitable mortgage charge on fixed assets. The aggregate limit of running/cash refinance arrangements is up to Rs.2,875 million (2022: Rs 2,875 million). The aggregate unavailed running finance/cash finance facilities from commercial banks at year end amounted to Rs.2,070 million (2022 : Rs.1,314 million) as on reporting date.		
25.2	The Company has also obtained Murabaha / Istisna facilities from Islamic banks at respective KIBOR+0.40% and 0.50% (2022: respective KIBOR+0.30% and 6 month kibor+0.50%). The profit is payable with principle amount on the date of maturity of transaction. These include pledge and hypothecation facilities. Pledge facilities are primarily secured by pledge of sugar and collaterally secured by ranking charge on current assets (refer note 11.1) and hypothecation facilities are secured by 1st pari passu hypothecation charge over plant and machinery. The aggregate limit of Murabaha/Istisna arrangements is up to Rs.2,750 million (2022: Rs 2,500 million). The unavailed facility at the year end amounted to Rs. 1,650 million (2022: 1,403 million).		
26 CONTINGENCIES AND COMMITMENTS			
a) Contingencies			
26.1	The Company's appeal in the Honourable Supreme Court of Pakistan dated 19 February 2004 against the Order of the Sindh High Court for levy of Quality Premium was accepted by the Honourable Supreme Court of Pakistan by assailing the Order of Sindh High Court. Furthermore Federal Government steering committee through its decision on 16-07-2007 held that the quality premium shall remain suspended till decision of Honourable Supreme Court of Pakistan or consensus on uniform formula to be developed by Ministry of Food, Agriculture and Live-stock (MINFAL). During the year 2017-2018, the Honorable Supreme Court of Pakistan through its order dated 5 March 2018 has decided the matter against the Sugar Manufacturing Companies and the Legal Counsel of the Company is of the view that the Honorable Supreme Court of Pakistan has now simply prescribed the criteria for future, which if followed properly, would make quality premium applicable in the future, and in relation to the past (other than crushing season 1998 – 1999) it appears that no liability arose as no legally binding notification under section 16(v) can be said to be in the field in the light of the decision of the Honorable Supreme Court of Pakistan. Accordingly, no liability arises for the past except for the year 1998 – 99 for which quality premium amounted to Rs. 93.7 million against which no provision is made as the Company has already paid price higher than the minimum notified price for the said year.		
26.2	The Company has filed a petition in the Honorable Supreme Court of Pakistan, dated 14 January 2010 against a show cause notice issued by Competition Commission of Pakistan (CCP), challenging the jurisdiction of the Competition Commission. The Honorable Supreme Court of Pakistan has disposed the petition on the ground that this matter is already under proceedings with Honorable High Courts and refrained CCP from passing any final / penal order till a final decision is achieved at Honorable High Courts. There are no financial implications related to this at the moment.		



- 26.3** Pakistan Standards and Quality Control Authority (the Authority) has demanded a marking fee payment @ 0.1% of ex-factory price for the year 2008-09 amounting to Rs. 1.45 million. The Company is of the view that demand notifications so raised are without any lawful authority under the PSQCA Act-VI of 1996 and are violation of the constitution. The Company has filed a petition before the Honorable High Court of Sindh dated 01 September 2010 challenging the levy of marking fee under PSQCA Act-VI of 1996 and the Honorable court accepted the petition and termed that the impugned notification has been issued without lawful authority and suspended the operation of the impugned notifications. In the meantime the legal counsel of the company filed caveat in respect of an appeal to be filed by the PSQCA against the Judgment in Honorable Supreme Court of Pakistan. The Pakistan Standards and Quality Control Authority have filed an appeal before the Honorable Supreme Court of Pakistan against the decision of Honorable High Court of Sindh. Hence no provision has been made in this respect.
- 26.4** An order was issued by Large Taxpayer Unit Karachi for recovery of Rs.31.173 million including additional tax and penalty being alleged inadmissible input tax claimed by the company. The amount of alleged inadmissible input tax was deposited by the company after receipt of order. However, the company filed an appeal before the Commissioner Inland Revenue Karachi. The Commissioner Inland Revenue decided the matter in favour of the company, declaring the input tax adjustment claimed by the company as admissible against which Large Taxpayer Unit Karachi has filed an appeal before Sales Tax Appellate Tribunal Inland Revenue Karachi. Appellate Tribunal Inland Revenue has partly remanded back the case, while other part of department appeal was rejected. However the Company has applied for refund of the amount deposited and is confident for outcome in favour of the company so no provision is made in this respect.
- 26.5** Against the sugarcane purchase price of Rs. 172 per 40 Kgs as fixed for the season 2013-2014, the company had filed a Constitutional Petition, dated 21 January 2014, before the Honorable High Court of Sindh for linkage with prevailing market sugar price which was dismissed and the matter was taken up with the Honorable Supreme Court of Pakistan on 05 January 2015. In the due course of time, the Government of Sindh fixed the price of sugarcane at Rs. 182 per 40 kgs for the season 2014-15 in pursuance of which the Sindh Chamber of Agriculture filed a petition in the Honorable High Court of Sindh. The Honourable High Court disposed of the case upon settlement with the consent of all the stake holders whereby it was settled that Sugar Mills shall purchase the sugarcane from growers at Rs. 160 per 40 kgs for crushing season 2014-15 whereas Rs. 12 per 40 kgs will be paid by the Government of Sindh. The Honorable High Court has subjected this interim arrangement to the decision of Civil appeal No 48 of 2015, dated 20 January 2015, which is pending before the Honorable Supreme Court of Pakistan and also have ordered that the fate of remaining Rs. 10 i.e., difference of Rs. 182 and 172 will also be dependent on upon the decision of Honorable Supreme Court of Pakistan. The Company based on the discussion with legal council is of the view that this difference will not be payable, hence provision of Rs 253.279 million already made as a matter of prudence has been reversed.
- 26.6** During the year 2017-2018, the Government of Sindh issued a notification no. 8(142)/ S.O(EXT)2017, according to which, the minimum price of sugarcane has been fixed at the rate of Rs. 182 per 40 kg for the crushing season 2017-2018. The Company along with other Sugar mills has filed a petition in the High Court of Sindh dated 19 December 2017 against the said notification. Thereafter, the Honorable Court after deliberations with all stakeholders announced the judgement fixing the purchase price at the Rs. 160 to be paid to growers and the balance of Rs. 22 per 40 kg to be decided by the Supreme Court of Pakistan which is pending. However, the Company, as a matter of prudence accounted for the said difference of Rs. 22 per 40 kgs these financial statements aggregating to Rs.305.889 million.
- 26.7** During the year 2017-2018, the company has filed a constitution Petition No.D-1117/2018 before Honourable High Court of Sindh, bench at Hyderabad against the illegal construction of building by Govt School management on the land 1-12 Acres land 4-20 Acres are under dispute. The land is annexed to the School Al-Noor Sugar Mills High School, Shahpur Jahania District Shaheed Benazirabad. The High Court has dismissed the said Petition on 26-01-2022. Thereafter, the Company has filed an appeal against the High Court order dated 26-01-2022 before the Honourable Supreme Court of Pakistan in CPLA No.640 of 2022, and the Supreme Court has granted Leave to Appeal and suspended the High Court order dated 26-01-2022. Now the matter is pending before Honourable Supreme Court of Pakistan at Islamabad.



- 26.8** During the year 2018-19, the State Bank of Pakistan (SBP) imposed upon the Company a penalty of Rs.39.56 million as 15% of the shipment value of such export consignment which according to interpretation of SBP, were delayed by 1 or 2 days. The Company has filed constitutional petition in the Honorable High Court of Sindh challenging such penalty which, according to the Company, was within stipulated time as required under SBP circulars. The Company's legal advisor is of the view that it is probable that the decision will be in favour of the Company and no financial liability is likely to arise, hence no provision is made in this respect.
- 26.9** 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. 575 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 Sindh High Court (SHC). The Honorable Court passed an interim order on October 7, 2021 stating that the operation of impugned orders dated 06.08.2021 and 13.08.2021 shall remain suspended till the hearing is underway. The Company expect favorable outcome in the matter.
- 26.10** The Federal Board of Revenue (FBR) issued notices for conducting tax audits for multiple years commencing from 2016 to 2019 under section 177 of the Income Tax Ordinance, 2001 and despite providing all records, submission of evidences and details, audit proceedings for the said tax year were concluded by passing detrimental orders under section 122(1)/(5) of the Income Tax Ordinance 2001 whereby frivolous tax demand of Rs. 8.857 billion for those tax years have been created. The demand was based on arbitrary and illogical observations against which the company preferred appeals to the Commissioner Inland Revenue [Appeals-II], Karachi (CIRA) which has been decided in favour of the company in the said tax demand and CIRA directed to Deputy Commissioner Inland Revenue (DCIR) to charge super tax adherent to the provision of section 4b on the basis of amended income computed after the appeal effect order. The department has filed an appeal before the appellate tribunal Inland revenue (ATIR) which is still pending before it. Since the demanded tax is not based on fact and records and in the view of tax advisor, favorable outcome is expected in the appeal, hence no provision has been made in the financial statements against said demands.
- 26.11** During the year 2021 and 2022 the Assistant /Deputy Commissioner Inland Revenue issued show cause notice under section 161(1A) of the Income Tax Ordinance 2002 for the tax year 2016,2017 and 2019 and has passed order there under that the Company should have to charge and deposit tax u/s 236 H of the Income Tax Ordinance 2001 on the sale to unregistered buyers treating them as non-filers retailers instead of depositing tax u/s 236 G by treating unregistered buyers as whole sellers/distributors/dealers. The officer has created aggregate demand of Rs.76.314 million in respect of the above mentioned tax years. However the Company has filed Appeal before the Commissioner Inland Revenue Appeals (CIRA) but those appeals has dismissed and now the Company filed appeal in tribunal and we confident that the matter will be decided in favour of the Company hence no provision is made in this respect.

2023 **2022**
Rupees in thousand

b) Commitments

The Company's commitment as on September 30, are as follows:

Letters of credit		
Stores	45,746	45,698
Raw Material	342,533	144,322
Machinery	40,683	55,846
	428,962	245,866



	Note	2023	2022
Rupees in thousand			
27 SALES			
Export sales		747,957	85,150
Local sales			
Local sales gross		14,703,224	12,389,897
Sales tax and federal excise duty		(2,323,019)	(1,925,320)
		12,380,205	10,464,577
Brokerage and commission		(5,702)	(3,369)
		13,122,460	10,546,358
28 COST OF SALES			
Opening stock of finished goods		2,731,036	1,213,058
Cost of goods manufactured	28.1	11,602,931	10,552,788
		14,333,967	11,765,846
Less: Closing stock of finished goods	11	(3,311,689)	(2,731,036)
		11,022,278	9,034,810
28.1 Cost of goods manufactured			
Raw material consumed	28.1.1	10,618,346	9,637,686
Salaries, wages and benefits	28.1.2	471,900	437,110
Stores and spare parts consumed		520,972	474,122
Packing materials		65,285	70,883
Fuel and oil		127,409	115,384
Power and water		346,873	353,561
Repair and maintenance		179,008	179,910
Insurance		22,009	19,469
Depreciation	4.1.1	266,838	254,645
Other manufacturing expenses		65,032	54,913
		12,683,672	11,597,683
Less:			
Sale of molasses		1,033,930	899,730
Sale of bagasse	28.1.3	26,839	9,400
Inventory adjustment of bagasse		(44,017)	44,074
Sale of sunder dust	28.1.3	9,626	5,368
Sale of electric power		45,869	86,269
		(1,072,247)	(1,044,841)
Work-in-process			
Opening stock		5,237	5,183
Closing stock	11	(13,731)	(5,237)
		(8,494)	(54)
		11,602,931	10,552,788
28.1.1 Raw material consumed			
Opening stock		529,727	550,080
Purchases and related direct cost		10,864,715	9,617,333
		11,394,442	10,167,413
Closing stock	11	(776,096)	(529,727)
		10,618,346	9,637,686



28.1.2 It includes Rs. 17.399 million (2022: Rs. 16.123 million) in respect of the Company's contribution towards staff provident fund.

28.1.3 Sales of molasses, bagasse, sunder dust and electric power are net of sales tax of Rs. Nil (2022: Rs. Nil), Rs. 4.563 million (2022: Rs. 1.598 million), Rs.1.928 million (2022:Rs. 0.913 million) and Rs. 7.864 million (2022: 14.667 million) respectively.

	Note	2023	2022
Rupees in thousand			
29 PROFIT FROM TRADING ACTIVITIES			
Sales		-	9,156
Sales tax		-	(1,557)
		-	7,599
Less: Cost of sales			
Opening stock		3,099	2,225
Purchases		-	3,736
Closing stock		(3,099)	(3,099)
		-	2,862
Profit for the year		-	4,737
30 DISTRIBUTION COST			
Sales promotion		22,841	45,211
Export sale expenses		12,787	4,562
Dispatch, stacking and other expenses		31,897	25,167
		67,525	74,940
31 ADMINISTRATIVE EXPENSES			
Salaries, wages and benefits	31.1	387,463	368,578
Staff welfare		83,216	70,565
Rent, rates and taxes		869	377
Electricity and gas charges		37,758	32,932
Repair and maintenance		93,067	77,230
Legal and professional		5,849	9,899
Vehicle running		79,871	59,962
Insurance		4,474	5,864
Communication		9,552	9,784
Entertainment		22,339	18,158
Printing and stationery		4,365	4,037
Fees and subscription		9,388	6,256
Traveling and conveyance		21,575	12,030
Security expenses		49,954	47,330
Auditors' remuneration	31.2	2,194	2,138
Charity and donation	31.3	6,463	7,340
Depreciation	4.1.1	68,158	66,125
Depreciation on right-of-use assets	5	7,365	7,176
Amortization of intangible assets	6	500	165
Others		3,992	3,143
		898,412	809,089

31.1 It includes Rs.13.960 million (2022 : Rs. 15.310 million) in respect of the Company's contribution towards staff provident fund.

	Note	2023	2022
Rupees in thousand			
31.2 Auditors' remuneration			
Kreston Hyder Bhimji & Co			
Audit fee		1,426	1,426
Half yearly review fee		133	133
Code of corporate governance review fee		29	29
Other Certifications		105	105
Out of pocket expenses and sales tax on services		278	214
		1,971	1,907
A.D.Akhawala & Co. - Provident Fund		30	33
A.D.Akhawala & Co. - Cost Audit		193	198
		223	231
		2,194	2,138
31.3 No directors or their spouses had any interest in the donee funds.			
32 OTHER EXPENSES			
Impairment allowance for obsolescence and slow moving items	10.1	7,914	12,557
Impairment allowance for slow moving trading stock	11.3	3,099	-
Impairment of export price differential	15	47,377	-
Expected credit loss against trade debts	12.1	985	-
Net exchange loss		11,976	5,152
Penalty imposed by Federal Board of Revenue		-	24
		71,351	17,733
33 OTHER INCOME			
Income from financial assets			
Profit on bank deposits		12,094	10,915
Dividend income from mutual fund		25,934	337
		38,028	11,252
Income from non financial assets and others			
Insurance claim		7,000	1,000
Gain on disposal of property, plant and equipment - net	4.1.2	3,916	8,629
		10,916	9,629
		48,944	20,881



	Note	2023	2022
Rupees in thousand			
34 FINANCE COST			
Profit / Markup / Interest on:			
Long term financing		574,272	322,767
Short term borrowings			
Cash/Running finance/Murabaha/Istisna		624,442	348,609
Export refinance		-	3,797
		624,442	352,406
Workers' profit participation fund	23.4	-	475
Workers welfare fund		3,103	-
interest on liability against Right-of-use assets		2,097	114
Bank charges		27,638	4,260
		1,231,552	680,022
34.1	This includes Rs.475.100 million (2022: 392.357 million) in respect of Shariah Compliant Financial Institutions.		
35 TAXATION			
Current		201,890	151,039
Super tax (Prior Year)		19,539	-
Deferred		(38,471)	(111,081)
	35.1	182,958	39,958
35.1 Tax Reconciliation			
Tax at 29% on Accounting profit		138,708	61,850
Effect of			
Final tax regime		7,480	852
Minimum tax		168,764	143,702
Dividend income		23,689	6,485
Share of profit of associate		(173,425)	(74,790)
Others		17,742	(98,141)
		44,250	(21,892)
		182,958	39,958

35.2 The management believes that the tax provision made in the financial statements is sufficient. A comparison of last three years of income tax provision with tax assessed is presented below:

Accounting Year	As per Financial Statements	As per Return/ Assessment
Rupees in thousand		
2022	151,039	148,748
2021	146,748	146,764
2020	172,135	173,238



	2023	2022
	Rupees in thousand	
36 EARNINGS PER SHARE		
Basic and diluted		
Profit for the year (Rupees in thousands)	295,344	173,319
Weighted average number of ordinary shares outstanding during the year	20,473,702	20,473,702
Earnings per share (Rupees)	14.43	8.47

36.1 There is no dilutive impact on the Company's earning per share.

37 RELATED PARTY TRANSACTIONS

The related parties comprise associates, key management personnel and staff retirement benefit plans. The transactions with related parties are carried out as per agreed terms in the normal course of business. Amounts due from and to related parties are shown in respective notes of investment, receivables and payables, and remuneration of directors and key management personnel is disclosed in note.38. Other transactions with related parties are as follows:-

Relationship with the Company	Nature of Transactions	2023	2022
		Rupees in thousand	
Associates			
Reliance Insurance Company Limited	Insurance premium paid	22,321	35,472
	Insurance claims received	7,752	8,008
	Insurance claims receivable	10,078	862
	Total claim	17,830	8,870
Shahmurad Sugar Mills Limited	Sale of goods	1,065,332	910,729
	Dividend received	131,991	42,897
	Share of profit in associates	598,064	257,945
	Share of other comprehensive income	758,488	29
First Al-Noor Modaraba (Pvt) Limited	Share of loss in associates	(48)	(50)
	Share of other comprehensive loss and item taken directly to equity	(73)	186
Others			
Key management personel	Remuneration to key management personnel	218,416	193,108
Staff Retirement Benefits Plan	Employer's contribution to provident fund	31,358	31,433

37.1 During the year the Company entered transctions/arrangements with following related parties.

Name of the related parties	Relationship	Percentage of shareholding	
		2023	2022
Reliance Insurance Company Limited	Common Directorship and shareholding	-	-
Shahmurad sugar mills limited	Common Directorship and shareholding	15.625%	15.625%
Al-Noor Management Modaraba (Pvt) Limited	Common Directorship and shareholding	14.286%	14.286%

37.2 Outstanding balances with related parties have also been separately disclosed in trade debts, other receivable and trade and other payable respective. These are settled in ordianry course of business.



38 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration including all benefits to Chief Executive, Directors and Executives of the Company were as follows: -

	Chief Executive		Executive Directors		Executives		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
..... Rupees in thousand								
Remuneration	14,391	13,113	13,130	8,742	87,727	74,146	115,248	96,001
Provident fund	1,401	1,311	437	874	8,072	6,367	9,910	8,552
Perquisite (including house rent and bonus)	7,697	6,557	6,127	4,371	73,382	73,885	87,206	84,813
Reimbursable expenses including traveling expenses	2,524	914	3,528	2,828	-	-	6,052	3,742
	26,013	21,895	23,222	16,815	169,181	154,398	218,416	193,108
Number of persons	1	1	1	1	39	32		

38.1 The Chief Executive, certain Directors and Executives are also provided with free use of Company's cars.

38.2 Meeting fee has been paid to 05 Directors amounting to Rs.0.59 million (2022: Rs.0.346 million), whereas no meeting fees is paid to Executive Directors and Chief Executive.

39 CAPACITY AND PRODUCTION

2023 2022
Rupees in thousand

39.1 Sugar Division

Installed Cane Crushing Capacity per day (M.Ton)	14,500	14,500
No of days Mill operated	95	112
Total Crushing Capacity on basis of no. of days mill operated (M.Ton)	1,377,500	1,624,000
Actual Crushing (M.Ton)	789,713	940,764
Sugar Production (M.Ton)	79,575	98,110

The sugar production plant capacity is based on crushing sugar cane on daily basis and the sugar production is dependent on certain factors which include recovery. Capacity is under utilized due to shortage of raw material.

39.2 MDF Board division

Mande Line

No. of Days Mill Operated	160	171
Capacity Per Day (Cubic Meter)	120	120
Total Capacity on basis of no. of days (Cubic Meter) mill operated	19,200	20,520
Actual Production (Cubic Meter)	24,359	25,349

The Actual production of mende line of mdfb division due to non availability of raw material.

Sunds Line

No. of Days Mill Operated	281	305
Capacity Per Day (Cubic Meter)	122	122
Total Capacity on basis of no. of days (Cubic Meter) mill operated	34,282	37,210
Actual Production (Cubic Meter)	41,869	42,157

The production capacity is based on standard size of sheets but actual production contain various size of sheets. Further wood recipe mix and any change in wood mix / raw material impact the productivity Vis a vis capacity of plant.



40 SEGMENT INFORMATION

The Company has two operating / reportable segments, i.e., Sugar and Medium Density Fiber Board (MDFB) on the basis of product characteristics, internal reporting and the criteria defined by the "IFRS 8 Segment Reporting". The Company also generates and sells electric power, however this is not considered as separate segment since this does not meet the threshold requirements of a reportable segment.

Sugar Division - Manufacturing and sale of Refined Sugar
MDF Board - Manufacturing of Medium Density Fiber Board

The operating results, assets and liabilities and other significant information of each segment is as follows:

	SUGAR		MDF BOARD		TOTAL	
	2023	2022	2023	2022	2023	2022
----- Rupees in thousand -----						
REVENUE						
External sales net of brokerage and commission	6,777,714	5,059,237	6,344,746	5,487,121	13,122,460	10,546,358
External Sales of By-product, bagasse, molasses and sunder dust	1,106,638	995,399	9,626	5,368	1,116,264	1,000,767
Inter-segment transfer - Electricity	110,947	97,691	-	-	110,947	97,691
Inter-segment transfer - Bagasse	141,500	80,276	-	-	141,500	80,276
Total Revenue	<u>8,136,799</u>	<u>6,232,603</u>	<u>6,354,372</u>	<u>5,492,489</u>	<u>14,491,171</u>	<u>11,725,092</u>
RESULTS						
Profit from operations	789,674	464,741	344,571	162,778	1,134,245	627,519
Profit from trading activity	-	-	-	4,737	-	4,737
Other income	12,574	7,051	36,370	13,830	48,944	20,881
	<u>802,248</u>	<u>471,792</u>	<u>380,941</u>	<u>181,345</u>	<u>1,183,189</u>	<u>653,137</u>
Other expenses					(71,351)	(17,733)
Finance cost					(1,231,552)	(680,022)
Share of profit from associates					598,016	257,895
Profit before tax					478,302	213,277
Taxation					(182,958)	(39,958)
Net profit for the year					<u>295,344</u>	<u>173,319</u>
STATEMENT OF FINANCIAL POSITION						
Assets						
Segment assets	9,744,078	6,039,211	5,879,574	4,011,344	15,623,652	10,050,555
Investment in associates	2,160,113	940,863	-	-	2,160,113	940,863
Unallocated Assets	-	-	-	-	329,659	294,160
Total assets					<u>18,113,424</u>	<u>11,285,578</u>
Liabilities						
Segment liabilities	8,609,237	6,761,241	1,786,332	1,034,508	10,395,569	7,795,749
Unallocated liabilities					33,891	28,908
Total liabilities					<u>10,429,460</u>	<u>7,824,657</u>
OTHER INFORMATION						
Additions to property, plant and equipment	309,981	121,166	87,504	288,333	397,485	409,499
Depreciation	138,463	134,614	196,533	186,156	334,996	320,770
Modification / Renewals in right of use assets	-	-	23,300	-	23,300	-
Depreciation on right-of-use assets	-	-	7,365	7,176	7,365	7,176
Amortization	441	165	-	-	441	165

Geographical Information

All non-current assets of the Company are located in Pakistan. Company's local external sales represent sales to various customers in Pakistan as well as outside Pakistan. The company is not dependent on any single major customer whose sales is more than 10% of segment revenues. Geographical information about net sales is as follows:

Pakistan	12,374,503	10,461,209
Tajikistan	197,667	-
Netherland	210,462	-
Afghanistan	304,269	55,189
Middle East	35,559	29,960
	<u>13,122,460</u>	<u>10,546,358</u>



41 FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities of the company as at September 30 are as follows

2023						
Markup / Interest Based			Non Markup / Interest Based			Total
Maturity up to One Year	Maturity after One Year	Sub Total	Maturity up to One Year	Maturity after One Year	Sub Total	

-----Rupees in thousand-----

FINANCIAL ASSETS

At Cost / Amortised Cost

Loans and advances	-	-	-	17,348	8,047	25,395	25,395
Deposits	-	-	-	7,426	5,563	12,989	12,989
Trade debts	-	-	-	405,286	-	405,286	405,286
Other receivables	-	-	-	10,810	-	10,810	10,810
Short term investment	102,894	-	102,894	-	-	-	102,894
Cash and bank balances	29,246	-	29,246	150,113	-	150,113	179,359
	132,140	-	132,140	590,983	13,610	604,593	736,733

FINANCIAL LIABILITIES

At Cost / Amortised Cost

Long term financing	942,065	1,786,793	2,728,858	-	-	-	2,728,858
Lease liability against right-of-use assets	6,465	10,970	17,435	-	-	-	17,435
Trade and other payables	-	-	-	1,058,326	-	1,058,326	1,058,326
Accrued finance cost	-	-	-	208,513	-	208,513	208,513
Short term borrowings	1,905,016	-	1,905,016	-	-	-	1,905,016
Unclaimed dividend	-	-	-	10,101	-	10,101	10,101
	2,853,546	1,797,763	4,651,309	1,276,940	-	1,276,940	5,928,249

2022						
Markup / Interest Based			Non Markup / Interest Based			Total
Maturity up to One Year	Maturity after One Year	Sub Total	Maturity up to One Year	Maturity after One Year	Sub Total	

-----Rupees in thousand-----

FINANCIAL ASSETS

At Cost / Amortised Cost

Loans and advances	-	-	-	12,121	4,305	16,426	16,426
Deposits	-	-	-	3,058	5,538	8,596	8,596
Trade debts	-	-	-	571,334	-	571,334	571,334
Other receivables	-	-	-	1,468	-	1,468	1,468
Short term investment	82,450	-	82,450	-	-	-	82,450
Cash and bank balances	127,637	-	127,637	125,915	-	125,915	253,552
	210,087	-	210,087	713,896	9,843	723,739	933,826

FINANCIAL LIABILITIES

At Cost / Amortised Cost

Long term financing	831,045	2,228,857	3,059,902	-	-	-	3,059,902
Lease Liability against Right-of-use assets	712	-	712	-	-	-	712
Trade and other Payables	-	-	-	550,792	-	550,792	550,792
Accrued finance cost	-	-	-	146,236	-	146,236	146,236
Short term borrowings	2,658,448	-	2,658,448	-	-	-	2,658,448
Unclaimed dividend	-	-	-	8,221	-	8,221	8,221
	3,490,205	2,228,857	5,719,062	705,249	-	705,249	6,424,311



42 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

42.1 Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks; credit risk, liquidity risk and market risk (including interest / markup rate risk, currency risk and other price risk). The Company's overall risk management programs focuses on the under predictability of financial markets and seek to minimize potential adverse effects on the Company's financial performance.

This note presents information about the Company's exposure to each of the above risk, the company's objectives, policies and procedures for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Company's senior management provides policies for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest / markup rate risk, credit risk, financial instruments and investment of excess liquidity. The Board of Directors reviews and agrees policies for managing each of these risks as summarized below.

A Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's operating activities exposes it to credit risks arising mainly in respect of loans, advances, deposits, trade debts, other receivables and bank balances. The maximum exposure to credit risk at the reporting date is as follows:

	2023	2022
	(Rupees in thousand)	
Loans and advances	25,395	16,426
Deposits	12,989	8,596
Trade debts	405,286	571,334
Other receivables	10,810	1,468
Short term investment	102,894	82,450
Bank balances	173,766	237,135
	<u>731,140</u>	<u>917,409</u>

Loans and advances

These represent balances due from employees that are usually against their balances of retirement benefits and loans to growers which are also provided to ensure future cane supplies. The Company actively pursues for the recovery of loan / advances to employees through monthly deductions from salaries and based on past experience the Company does not expect that these will fail to meet their obligations hence no impairment allowance is necessary. However, certain loans to growers given in past are considered as doubtful. Therefore, impairment allowance is made there against.

Deposits

These represent security deposits with utility companies' trade deposits to suppliers and certain deposits to courts. Based on past experience and credit worthiness of the counter parties the Company does not expect that these counter parties will fail to meet their obligations and the Company believes that it is not exposed any significant credit risk in respect of deposits.

Trade debts

Trade debts are due from local customers. The Company manages credit risk in respect of trade debts by setting credit limits in relation to individual customers and / or by obtaining advance against sales and / or through irrevocable letter of credits and / or by providing for doubtful debts. Furthermore the Company actively pursues for the recovery and the Company does not expect these customers will fail to meet their obligation and also these are neither past due nor impaired, hence no impairment allowance is necessary in respect of trade debts. Aging of trade debts is as follows;

1 to 3 months	207,754	328,995
3 to 6 months	183,707	141,364
More than 6 months	22,689	108,853
	<u>414,150</u>	<u>579,212</u>
Less: Impairment allowance	(8,864)	(7,879)
	<u>405,286</u>	<u>571,333</u>



Other receivables

These represent amounts receivables from parties against which the Company actively pursues for the recovery and there is no history of default in recent past therefore the Company expects that the amounts will be recovered, hence no impairment allowance is necessary in respect of receivable because these are neither past due nor impaired. Further, an impairment allowance has already been made against the export subsidy in view of uncertainties related to its realization.

Bank balances

The Company limits its exposure to credit risk by maintaining bank accounts only with counter-parties that have stable credit rating and given these high credit ratings, management does not expect that any counter party will fail to meet their obligations.

The bank balances along with credit ratings are tabulated below

	Long Term Ratings	Short Term Ratings	2023 Rupees in thousand	2022
United Bank Limited	AAA	A-1+	16,302	13,630
Habib Bank Limited	AAA	A-1+	1,111	2,731
Allied Bank Limited	AAA	A-1+	168	2,929
MCB Bank Limited	AAA	A-1+	23,097	1,803
MCB Islamic Bank Limited	A	A1	1,147	-
Standard Chartered Bank Limited	AAA	A-1+	1,733	663
Standard Chartered Bank Limited-Islamic	AAA	A-1+	1,495	19,474
National Bank of Pakistan Limited	AAA	A-1+	2,054	4,660
Faysal Bank Limited	AA	A-1+	7,860	15,172
Bank Al-Falah Limited	AA+	A-1+	4,463	3,786
Bank Islami Limited	A+	A-1	52	96
Habib Metropolitan Bank Limited	AA+	A-1+	3,979	2,529
Al-Baraka Bank (Pakistan) Limited	A	A-1	5,317	5,217
Soneri Bank Limited	AA-	A-1+	169	169
Industrial Commercial bank of China	A	A-1	-	2
Meezan Bank Limited	AAA	A-1+	48,109	11,931
Al Meezan MRAF			99,833	82,331
JS Bank Limited	AA+	AA-	146	146
Bank Al-Habib Limited	AA+	AAA	10,157	11,814
Askari Commercial Bank Limited	AA+	A-1+	1,089	2,695
Dubai Islamic Bank Limited	AA	A-1+	41,940	136,726
Samba Bank Limited	AA	A-1	176	176
Sindh Bank Limited	A+	A-1	78	78
The Bank of Khyber			3,124	708
			173,766	319,248

Financial assets that are either past due or impaired

The credit quality of financial assets that are either past due or impaired is assessed by reference to historical information and external ratings or to information about counter party default rates. As at September 30, 2023 there were no significant past due or impaired financial assets except against which adequate loss allowance is made. However besides financial instruments as stated above;

(a) As at the year end amounts of Rs. Nil (2022:41.096 million) receivable from growers, suppliers and contractors were past due against which impairment allowance had been made and written off during the year. The aging of the past due financial assets was as under,

More than 3 years	-	41,096
-------------------	---	--------

(b) The company has also recorded impairment allowance of Rs. 356.894 million (2022: Rs. 309.517 million) in respect of Export subsidies, Export price differential amount and cane development cess due to uncertainties regarding the recoverability as stated in note 15.2 & 15.3.

(c) The company has also recorded impairment allowance of Rs. 8.864 million (2022: Rs. 7.879 million) in respect of expected credit loss against trade debts due to uncertainties regarding the recoverability as stated in note 12.1.



B Liquidity risk

Liquidity risk represents the risk where the Company will encounter difficulty in meeting obligations associated with financial liabilities when they fall due. The exposure to liquidity risk along with contractual maturities (undiscounted) of the financial liabilities is as follow;

	Carrying Amount	Contractual Cashflows	Less than 3 months	3 to 12 months	1 to 5 years
(Rupees in thousand)					
Year ended 30 September 2023					
Long term financing	2,728,858	2,728,858	448,737	493,328	1,786,793
Lease liability against right-of-use assets	17,435	21,342	-	8,562	12,780
Trade and other payables	3,664,766	3,664,766	353,992	3,310,774	-
Accrued finance cost	208,513	208,513	208,513	-	-
Short-term borrowings	1,905,016	1,905,016	-	1,905,016	-
Unclaimed dividend	10,101	10,101	10,101	-	-
	8,534,689	8,538,596	1,021,343	5,717,680	1,799,573
Year ended 30 September 2022					
Long term financing	2,930,524	2,930,524	135,417	566,250	2,228,857
Lease liability against right-of-use assets	712	726	-	726	-
Trade and other payables	1,424,245	1,424,245	328,003	143,163	306,014
Accrued finance cost	146,236	146,236	146,236	-	-
Short-term borrowings	2,658,448	2,658,448	-	2,658,448	-
Unclaimed dividend	8,221	8,221	8,221	-	-
	7,168,386	7,168,400	617,877	3,368,587	2,534,871

The Company manages liquidity risk by maintaining sufficient cash and ensuring the fund availability through adequate credit facilities. At September 30, 2023 the Company has PKR 3,720 million (2022: PKR 2,717 million) available unutilized short term borrowing limit from financial institutions and also has PKR 179.359 million (2022: PKR 253.552 million) being cash and banks balances. Based on the above, management believes the liquidity risk is insignificant.

C Market Risk

Market risk is the risk that the fair value or future cash flows of the financial instrument may fluctuate as a result of changes in market interest/markup rates or the market price due to a 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. Market risk comprises of three types of risks: interest /markup rate risk, currency risk and other price risk. The Company's activities are subject to interest / markup rate risk and foreign currency risks where as at year end there were no financial instruments carried at fair value which are subject other price risks.

D Interest/ markup rate risk management

Interest / markup rate risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market interest / markup rates. The Company's major interest / markup rate exposure arises from long term financings, short term borrowings and murabaha financing. The Company analyses its interest / markup rate exposure on a regular basis by monitoring markup/interest rate trends. At the year end the interest / markup rate profile of the Company's mark up/interest bearing financial instruments is:

Financial Liabilities	Note	Carrying Values	
		2023	2022
--- Rupees in thousand ---			
<u>Variable Rate Instruments</u>			
Long term financing	20	2,728,858	3,059,902
Short term Borrowings	25	1,905,016	2,658,448
Less: Balances in saving bank account	17	(29,246)	(127,637)
		4,604,628	5,590,713



Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the year end would not effect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

An increase / decrease of 100 basis points in interest rates at the reporting date would have decreased /increased profit for the year before tax by the amount of Rs. 46.046 million (2022: 55.907 million) assuming that all other variables remains constant.

E Foreign exchange risk management

Foreign exchange risk is the risk that the fair value of future cash flows of financial statements will fluctuate because of changes in foreign exchange rates. Foreign exchange risk arises mainly from future economical transactions or receivables and payables that exist due to transactions in foreign currencies.

As at year end the currency risk profile of the Company's financial instruments is:

	2023 \$ in thousands	2022	2023 (Rupees in thousand)	2022
Balance Sheet Exposure				
Bank balance	54	-	15,482	-
Off Balance Sheet Exposure				
Commitments				
US Dollars	800	359	231,280	82,235
EUROS	300	428	91,263	95,931
Chinese yuan	2,072	1,175	82,341	37,604
Swiss Franc	76.72	-	24,078	-
JPY		4,636	-	7,323
			428,962	223,093

The following significant exchange rate has been applied:

	2023	2022
Rupee per USD		
Average rate	259.05	199.93
Reporting date rate	289.10	229.00
Rupee per EURO		
Average rate	264.11	211.12
Reporting date rate	304.21	224.00
Rupee per CNY		
Average rate	35.87	29.23
Reporting date rate	39.74	32.00
Rupee per SEK		
Average rate	23.34	20.21
Reporting date rate	26.26	20.42
Rupee per CHF		
Average rate	273.93	212.14
Reporting date rate	313.86	233.99
Rupee per JPY		
Average rate	1.76	1.55
Reporting date rate	1.93	1.58

A 10 percent strengthening / weakening of the pkr against foreign currencies at year end would have decreased / increased profit before tax by the amount of Rs.1.584 million (2022: Nil) in respect of foreign currency balances. The effect of the off financial position items would have been Rs. 42.896 million (2022: Rs.22.31 million). This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2022.



F Capital risk management

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix amongst various sources of finance to minimize risk.

The primary objectives of the Company when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares.

During the year the Company's strategy was to maintain leveraged gearing. The gearing ratios as at September 30, 2023 and 2022 were as follows:

	2023	2022
	(Rupees in thousand)	
Total borrowings	4,633,874	5,718,350
Less: Cash and bank balances	(179,359)	(253,552)
	4,454,515	5,464,798
Total equity	7,683,964	3,461,472
Total equity and debt	12,138,479	8,926,270
Gearing ratio (%)	36.70%	61.22%

43 FAIR VALUES / MEASUREMENT

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

A number of the Company's accounting policies and disclosure require the measurement of fair values, for both financial, if any and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Management assessed that the fair values of cash and cash equivalent, short term deposits, other receivable, trade receivables, trade payables, short term borrowing and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. For long term deposit asset and long term liabilities, management considers that their carrying values approximates fair value.

The fair value of land and buildings and plant and machinery is a level 3 recurring fair value measurement. Management engages an independent external expert / valuator to carry out periodic valuation of its non-financial assets (i.e. Land, Building and Plant and Machinery including power plant) and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained by the valuer.



Land and Building

The valuation is considered on the factors of location, need of the buyers, the overall prevailing market situation and other considerations linked with this.

Plant and Machinery including power plant

Factors taken into consideration in order to assess the present value of the machinery and equipments include Make, Model, Quality, Operational, Capacity, Existing Condition, Demand and Resale Prospects, Depreciation and Obsolescence etc.

44 CORRECTION OF PRIOR PERIOD ERROR

During the year, it has been noted that the Company inadvertently charged in the statement of profit or loss the impact of deferred tax related to share of associate's revaluation surplus. Further in the preceding year share of effect of change in tax rate related to revaluation surplus of associate was omitted to be debited to investment in associate. These prior period errors have been rectified retrospectively and the impact of this is as follows;

	2022			2021		
	As originally stated	Effect of restatement	As retated	As originally stated	Effect of restatement	As retated
Surplus on revaluation of property, plant and equipment	1,216,503	(28,409)	1,188,094	1,303,580	(30,683)	1,272,897
Unappropriated profit	1,045,771	25,283	1,071,054	916,054	30,683	946,737
Long term investments	944,540	3,677	940,863	729,327	-	729,327
Deferred tax	526,893	(551)	526,342	609,631	-	609,631

44.1 There is no change in statement of profit or loss, statement of other comprehensive income or statement of cash flows.

45 PROVIDENT FUND RELATED DISCLOSURES

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

46 NUMBER OF EMPLOYEES

No of persons employed as on year end were 679 (2022:786) and average number of employee during the year were 703 (2022:821).

47 SUBSEQUENT EVENTS

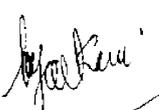
47.1 Subsequent to the year end the Board of Directors has proposed a final cash dividend of Rs.184.26 million (2022: Rs. 102.37 million) in their meeting held on 28th December 2023 subject to the approval of the members at the Annual General meeting scheduled to be held 25th January 2024.

48 DATE OF AUTHORIZATION

These financial statements were authorized for issue in the Board of Directors meeting held on 28th December 2023.

49 GENERAL

Amounts have been rounded off to the nearest thousand rupee unless otherwise stated.


NOOR MUHAMMAD ZAKARIA
Chief Executive Officer


ZIA ZAKARIA
Chairman


MUHAMMAD HANIF CHAMDIA
Chief Financial Officer

PATTERN OF HOLDING OF THE SHARES HELD BY THE SHAREHOLDERS AS ON 30-09-2023

NO. OF SHAREHOLDERS	SHARE HOLDINGS			TOTAL SHARES HELD
484	1	-	100	12,584
351	101	-	500	98,462
95	501	-	1000	70,176
107	1001	-	5000	236,942
18	5001	-	10000	131,884
6	10001	-	15000	70,051
5	15001	-	20000	90,740
4	20001	-	25000	87,003
1	45001	-	50000	49,500
1	50001	-	55000	51,500
2	60001	-	65000	120,873
1	65001	-	70000	67,694
1	70001	-	75000	73,000
1	95001	-	100000	100,000
2	100001	-	105000	205,566
1	110001	-	115000	110,775
1	115001	-	120000	117,500
1	125001	-	130000	125,496
1	155001	-	160000	158,015
1	170001	-	175000	171,032
1	195001	-	200000	197,603
1	205001	-	210000	208,218
2	215001	-	220000	435,049
3	220001	-	225000	665,570
1	255001	-	260000	255,403
2	280001	-	285000	560,589
1	290001	-	295000	293,500
1	300001	-	305000	304,117
1	305001	-	310000	306,147
1	400001	-	405000	402,483
1	430001	-	435000	433,500
1	435001	-	440000	435,011
1	460001	-	465000	464,191
1	565001	-	570000	566,416
1	570001	-	575000	571,936
1	595001	-	600000	600,000
1	615001	-	620000	615,836
1	660001	-	665000	660,802
3	675001	-	680000	2,030,182
1	775001	-	780000	779,500
1	835001	-	840000	838,597
1	905001	-	910000	908,610
1	980001	-	985000	982,231
1	1030001	-	1035000	1,034,856
1	1875001	-	1880000	1,875,675
1	1895001	-	1900000	1,898,887
1116			TOTAL:-	20,473,702

CATEGORIES OF SHAREHOLDING AS ON 30-09-2023

SR. NO.	CATEGORIES OF SHARE HOLDERS	NUMBER OF SHARE HOLDERS	SHARES HELD	PERCENTAGE %
1	INSURANCE COMPANIES	1	566,416	2.77
2	JOINT STOCK COMPANIES	9	2,662,842	13.01
3	FINANCIAL INSTITUTIONS	6	34,030	0.17
4	MODARABAS	1	110,775	0.54
5	MUTUAL FUND	1	1,898,887	9.27
6	OTHERS	5	235,505	1.15
7	GENERAL PUBLIC	1093	14,965,247	73.09
	TOTAL:-	1116	20,473,702	100.00



CATEGORIES OF SHARE HOLDING AS AT SEPTEMBER 30, 2023

Categories of Shareholders	No. of Share Holders	Sheres Held	Percentage
ASSOCIATED COMPANIES UNDERTAKINGS AND RELATED PARTIES			
FIRST AL-NOOR MODARABA	1	110,775	0.54
NOORI TRADING CORP. (PVT) LTD	1	1,875,675	9.16
ZAIN TRADING CORPORATION (PVT) LTD.	1	779,500	3.81
NBP, NIT & ICP			
INVESTMENT CORPORATION OF PAKISTAN	1	190	0.00
NATIONAL INVESTMENT TRUST LTD. ADMINISTRATION FUND	1	20,881	0.10
NATIONAL BANK OF PAKISTAN	1	1,430	0.01
TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSION FUND.	1	220,468	1.08
TRUSTEE NATIONAL BANK OF PAKISTAN EMP. BENEVOLENT FUND TRUST.	1	7,736	0.04
NATIONAL BANK OF PAKISTAN	1	11,401	0.06
MUTUAL FUNDS			
CDC-TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	1	1,898,887	9.27
DIRECTORS , CEO & THEIR SPOUSES AND MINOR CHILDERN			
MR. ZIA ZAKARIA	1	464,191	2.27
MR. NOOR MOHAMMAD ZAKARIA	1	676,727	3.31
MR. MUHAMMAD SALIM AYOOB	2	21,349	0.10
MR. ASAD AHMED MOHIUDDIN	1	615,836	3.01
MS. MUNIFA	2	1,035,356	5.06
MR. KHURRAM AFTAB	1	505	0.00
MRS. SHEHNAZ SATTAR ZAKARIA (W/O NOOR MOHAMMAD ZAKARIA)	1	676,728	3.31
PUBLIC SECTOR COMPANIES AND CORP.			
STATE LIFE INSURANCE CORP. OF PAKISTAN	1	566,416	2.77
BANK, DEVELOPMENT FINANCE INSTITUTIONS, NON BANKING FINANCE COMPANIES INSURANCE COMPANIES, MODARABAS, LEASING, TAKAFUL AND PENSION FUND	2	128	0.00
JOINT STOCK COMPANIES	7	7,667	0.04
OTHERS	3	7,301	0.04
GENERAL PUBLIC			
FOREIGN	---	---	---
LOCAL	1,084	11,474,555	56.05
TOTAL:-	1,116	20,473,702	100.00

SHAREHOLDERS HOLDING FIVE PERCENT OR MORE VOTING INTEREST IN THE LISTED COMPANY

CDC-TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	---	1,898,887
NOORI TRADING CORPORATION (PVT.) LTD.	---	1,875,675
MS. MUNIFA	---	1,035,356

Details of trading in the shares by the Directors, Excutives and their spouses and minor children:

None of the Directors, Executive and their spouses and minor Children has traded in the shares of the Company during the year except the following.

	Purchase Gift in No. of Shares	Purchase No. of Shares
MS. MUNIFA	=400,000=	---
MR. MOHAMMAD SALIM AYOOB	----	=5,500=

بورڈ کی تشخیص کا طریقہ کار:

بورڈ کے اراکین اور اس کی کمیٹیاں انتہائی تجربہ کار افراد ہیں جو اپنی تاثیر کو بہتر بنانے کے لیے مسلسل کوششیں کر رہے ہیں اور وقتاً فوقتاً بورڈ اور کمیٹیوں کی کارکردگی تک رسائی کے لیے سالانہ جائزہ لیتے رہتے ہیں۔ بورڈ کارپوریٹ سیکٹر اور گورننس میں ہونے والی پیشرفت کا بھی جائزہ لیتا ہے تاکہ یہ یقینی بنایا جاسکے کہ کمپنی کارپوریٹ سیکٹر میں ہونے والے بہترین طریقوں اور ترقی کے ساتھ ہم آہنگ رہے۔

ڈیویڈنڈ:

نقد منافع @90 فیصد یعنی 9.00 روپے فی شیئر 10 روپے بورڈ کے ذریعے موجودہ سال کے لئے سفارش کی گئی ہے۔
(2022: 50 فیصد یعنی 5.00 روپے فی شیئر = 10 روپے)۔

آڈیٹرز کی تقرری:

سالانہ جنرل میٹنگ کے اختتام پر موجودہ آڈیٹرز، میسرز کرسٹن حیدر بھیجی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو گئے اور اہل ہونے کے بعد مالی سال 2023-24 کے لیے دوبارہ تقرری کے لیے خود کو پیش کیا۔ آڈٹ کمیٹی نے ان کی تقرری کی بھی سفارش کی اور آپ کی کمپنی کے بورڈ نے سال 2023-24 کے لیے ان کی دوبارہ تقرری کے لیے آڈٹ کمیٹی کی سفارشات کی توثیق کر دی جس کی آئندہ سالانہ جنرل میٹنگ میں ممبران کی منظوری سے مشروط ہے۔

عملے کے تعلقات:

آخر میں ڈائریکٹرز کمپنی کے معاملات کو احسن طریقے سے چلانے، اہداف اور اہداف کو پورا کرنے کے لیے ایگزیکٹوز، اسٹاف ممبران اور ورکرز کی ڈیوٹی کی لگن اور محنت کی تعریف کرتے ہوئے خوشی محسوس کرتے ہیں اور انہیں یقین ہے کہ وہ موجودہ مشکل ماحول میں کام کریں گے۔ اپنے خالق کی برکت سے مستقبل میں بھی اسی جوش و جذبے کا مظاہرہ کرتے رہیں۔

بحکم بورڈ


ضیاء زکریا
چیئر مین / ڈائریکٹر


نور محمد زکریا
چیئر مین / ڈائریکٹر

کراچی، 28 دسمبر 2023

قومی خزانے میں شراکت:

کمپنی ٹیکسوں، ڈیوٹیوں کی صورت میں ملک کے وسائل کو بڑھانے اور حکومت کی طرف سے اجازت کے مطابق چین کی برآمد کے ذریعے زرمبادلہ کمانے اور MDF بورڈ ڈویژن کی لیمینیٹڈ مصنوعات برآمد کرنے میں بھی اپنا حصہ ڈال رہی ہے۔ زیر جائزہ مدت کے دوران آپ کی کمپنی نے MDF لیمینیٹڈ مصنوعات برآمد کیں اور ملک کے لیے قیمتی زرمبادلہ کمایا۔ اس سے تجارتی خسارے کو کسی حد تک کم کرنے میں بھی مدد ملی ہے۔

رسک مینجمنٹ اور مواقع:

کمپنی ایک چیلنجنگ ماحول میں کام کرتی ہے اور انتظامیہ نے خطرے کی شناخت، تشخیص اور تخفیف کے لیے ایک مؤثر طریقہ کار ترتیب دیا ہے جو ہموار آپریشن کو قابل بناتا ہے اور اس بات کو یقینی بناتا ہے کہ کاروبار کی ترقی پر توجہ مرکوز رہے۔

قرض کارسک:

کمپنی عام طور پر پیشگی ادائیگیوں کے عوض مصنوعات فروخت کرتی ہے لیکن کریڈٹ سیل کی صورت میں: ان صارفین کی مناسب احتیاط برتی جاتی ہے جن کو کریڈٹ دیا جاتا ہے۔ چین کی برآمد (جیسے اور جب حکومت کی طرف سے اجازت ہو) اور لیمینیٹڈ مصنوعات کی برآمد کی صورت میں، سبھی متعلقہ بینکوں کے ساتھ کھولے گئے لیٹرف آف کریڈٹ کے خلاف ہیں۔

مارکیٹ رسک:

کمپنی اپنے خام مال کی قیمتوں میں تبدیلی کے خطرے سے دوچار ہے جسے حکومت سندھ نے بڑھایا ہے اور تیار مصنوعات کو مارکیٹ فورس کے لیے کھلا چھوڑ دیا گیا ہے۔ حکومت کو خام مال کی قیمت اور مقامی مارکیٹ میں موجود تیار مصنوعات کی قیمت کے درمیان کچھ مطابقت پر غور کرنا چاہیے۔ تاہم اس کا انتظام اسٹاک کی سطح کی منصوبہ بندی اور مناسب پائے جانے والے وقت اور وقفوں کے ذریعے مختلف ذرائع سے خرید و فروخت کے لیے مارکیٹوں کی مسلسل نگرانی کے ذریعے کیا جاتا ہے۔

لیکویڈیٹی رسک:

کمپنی نے اپنی کاروباری ذمہ داریوں کو پورا کرنے کے لیے فروخت کی آمدن اور خریداریوں کے لیے ادائیگیوں کے درمیان مماثلت کو پورا کرنے کے لیے مختلف بینکوں سے ورکنگ کیپٹل کی ضروریات کا انتظام کیا ہے۔ بورڈ وقتاً فوقتاً کاروبار کو درپیش بڑے خطرے کا جائزہ لیتا ہے اور خطرے کو کم کرنے کے لیے ضروری اقدامات کرتا ہے۔ آڈٹ کمیٹی مالیاتی اور تعمیل کے خطرات کا بھی جائزہ لیتی ہے۔ ہیومن ریسورس اینڈ ریسوزیشن کمیٹی معاوضے اور انعام کی پالیسیوں کا جائزہ لیتی ہے تاکہ یہ یقینی بنایا جاسکے کہ یہ باصلاحیت اور تجربہ کار ہلکاروں کو برقرار رکھنے اور انہیں راغب کرنے کے لیے مسابقتی اور موثر ہیں۔

MDF بورڈ ڈویژن:

MDF بورڈ ڈویژن نے مختلف موٹائی میں 66,227 کیوبک میٹر بورڈ تیار کیا ہے جبکہ پچھلے سال کے دوران 67,506 کیوبک میٹر پیدا کیا گیا تھا۔ پیداوار گزشتہ سال کے مقابلے میں قدرے کم ہے۔ اس کی وجہ ملک میں سیلابی صورتحال کے بعد کے اثرات اور ٹرانسپورٹ کی کمی کی وجہ سے خام مال کی عدم دستیابی تھی۔ خام مال کی جگہوں تک پہنچنا اب بھی مشکل ہے کیونکہ حکومت کی جانب سے تباہ شدہ سڑکوں اور پلوں کی مرمت نہیں کی گئی ہے۔ مصنوعات کی مانگ میں بھی قدرے بہتری آئی ہے کیونکہ ملک میں تعمیراتی صنعت کے دوبارہ فعال ہونے سے بھی کسی حد تک بحالی ہوئی ہے۔ ڈویژن کی مصنوعات نے مارکیٹوں اور پڑوسی ممالک میں قابل قبولیت قائم کی ہے۔ توقع ہے کہ ہاؤسنگ سیکٹر میں دوبارہ توسیع کو مد نظر رکھتے ہوئے ملک کی MDF بورڈ انڈسٹری ترقی کرے گی۔

کمپنی کی کریڈٹ ریٹنگ:

VIS کریڈٹ ریٹنگ کمپنی نے کمپنی کو "A" / - "A" (سنگل "A" / - "A" / - "A") کی ابتدائی درمیانی تا طویل مدتی درجہ بندی تفویض کی ہے۔ بقایا درجہ بندی پر آؤٹ لک "مستحکم" ہے۔

کارپوریٹ اور سماجی ذمہ داری:

کارپوریٹ اور سماجی ذمہ داری کے فوائد اچھی طرح سے جانا جاتا ہے کیونکہ یہ اعلیٰ پیداوار میں حصہ ڈالتے ہیں، مارکیٹ میں کمپنی کی ساکھ کو بڑھاتے ہیں اور ملوں کے ارد گرد کمیونٹیز کے معیار زندگی میں بہتری اور معیشت کی مضبوطی میں اضافہ کرتے ہیں۔ سماجی اور ماحولیاتی پالیسی کمپنی کی جانب سے اپنی کارپوریٹ اور سماجی ذمہ داری کے حصے کے طور پر سماجی کام کے اقدامات میں ایک فعال وابستگی اور شرکت کا تصور کرتی ہے۔ کمپنی ملک اور اس کے عوام کے تئیں اپنی ذمہ داری کو نبھانے کے لیے ہمیشہ اپنا کردار ادا کرتی ہے۔ پالیسی کے مطابق کمپنی مل کے آس پاس کے علاقوں بشمول تعلیم اور صحت کے شعبے میں رہنے والے لوگوں کے معیار زندگی کو بہتر بنانے کے لیے مختلف سماجی وجوہات میں حصہ ڈالتی ہے۔ کمپنی اپنے کارپوریٹ اور سماجی ذمہ داری (CSR) کے اہداف کو پورا کرنے کے لیے پرعزم ہے اور ملز کے علاقے کے ارد گرد تعلیم، صحت کی دیکھ بھال، ماحولیات اور دیگر سماجی وجوہات کی حمایت کرتے ہوئے پہل کرنا جاری رکھے ہوئے ہے تاکہ علاقے کی کم مراعات یافتہ کمیونٹیز کی زندگیوں میں بہتری لائی جاسکے۔ کمپنی نے اپنے فرنیچر ایریا میں مسلسل کئی فلاحی سرگرمیاں کیں یعنی سیکنڈری لیول تک اسکول قائم کیا، وقفہ وقفہ سے میڈیکل کمپ کا انعقاد، مستحق دیہاتیوں کو مالی امداد، کاشتکاروں کو کھاد اور بیج فراہم کرنا، مفت راشن کی فراہمی اور طبی امداد۔ ضرورت مند افراد آپ کی کمپنی فضلہ اور اخراج کو کم کر کے ماحولیاتی اثرات کو کم کرنے اور اپنے ملازمین، صارفین، سپلائرز، پڑوسیوں اور عام لوگوں کی صحت اور حفاظت کے لیے سب سے زیادہ فکر کے ساتھ اپنا کاروبار چلانے کے لیے پرعزم ہے۔ انتظامیہ کمیونٹی کے اندر ماحول کو سہارا دینے کے لیے درخت لگانے کی مہم شروع کرتی ہے۔

متعلقہ فریقین کے لین دین:

پاکستان اسٹاک ایکسچینج کے لسٹنگ ریگولیشنز کے تحت تمام متعلقہ فریقوں کے لین دین کو بورڈ کی آڈٹ کمیٹی اور بورڈ کے سامنے حتمی منظوری کے لیے رکھا جاتا ہے۔ سال 2021-22 کے دوران کئے گئے متعلقہ فریقین کے لین دین کو بھی سالانہ جنرل میٹنگ میں ممبران کے سامنے رکھا گیا جیسا کہ کمپنیز ایکٹ 2017 کے سیکشن 208 کے تحت درکار ہے۔ مستقبل کی انتظامیہ کی طرف سے مارکیٹ کی قیمت کے تحت۔ متعلقہ فریقوں میں داخل ہونے والے تمام لین دین کو بورڈ کی آڈٹ کمیٹی کی منظوری کے بعد بورڈ نے منظور کیا جس کی صدارت ایک آزاد ڈائریکٹر کرتا ہے۔



انسانی وسائل اور معاوضے کی کمیٹی:

بورڈ نے کوڈ آف کارپوریٹ گورننس کے تحت مطلوبہ انسانی وسائل اور معاوضے کی کمیٹی بھی تشکیل دی جس میں درج ذیل ڈائریکٹرز شامل ہیں۔ سال کے دوران کمیٹی کا ایک اجلاس ہوا اور اس میں تمام اراکین نے شرکت کی۔

ڈائریکٹرز کا نام	عہدہ کی حیثیت
جناب خرم آفتاب	چیئرمین آزاد ڈائریکٹر
جناب ضیاء زکریا	ممبر نان ایگزیکٹو
جناب نور محمد زکریا	ممبر ایگزیکٹو ڈائریکٹر

ڈائریکٹرز کے معاوضے کی پالیسی:

کمپنی کے آرٹیکلز کے مطابق، بورڈ آف ڈائریکٹرز کمپنیز ایکٹ 2017 کے مطابق وقتاً فوقتاً ایگزیکٹو، نان ایگزیکٹو اور آزاد ڈائریکٹرز کے معاوضے کا تعین کرنے کا مجاز ہے۔ بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کے معاوضے کی پالیسی تیار کی ہے جس میں پالیسی کے مقاصد اور بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے لیے انفرادی ڈائریکٹرز کے معاوضے کے پیکج کے تعین کے لیے ایک شفاف طریقہ کار کو تفصیل سے بیان کیا گیا ہے۔ ڈائریکٹرز کی معاوضے کی پالیسی کی دیگر اہم خصوصیات میں یہ بھی شامل ہے کہ معاوضے کی سطح مسابقتی اور بورڈ میں اہل اور ہنرمند افراد کو راغب کرنے اور برقرار رکھنے کے لیے کافی ہوگی، کوئی صنفی امتیاز نہیں ہوگا اور معاوضہ اس سطح پر نہیں ہوگا جو ڈائریکٹرز کی آزادی کے ساتھ سمجھوتہ کرنے کے لیے سمجھا جاسکتا ہے۔

ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کے معاوضے کی مجموعی رقم کی تفصیلات نوٹ 38 میں مالی بیانات میں ظاہر کی گئی ہیں۔

مستقبل کا نقطہ نظر:

شوگر ڈویژن:

حکومت سندھ نے نوٹیفیکیشن نمبر B(142)/SO(Est)/2023-24 کے ذریعے مطلع کیا ہے کہ کرشنگ سیزن کے لیے گنے کی قیمت =/302 روپے کے مقابلے میں =/425 روپے فی چالیس کلوگرام ہے۔ سال خام مال کی قیمت میں =/123 روپے فی چالیس کلوگرام اضافہ کیا گیا ہے جس سے کرشنگ سیزن کے لیے چینی کی پیداواری لاگت بڑھ جائے گی۔ وفاقی حکومت نے اختتامی صارفین کے لیے چینی کی قیمت فروخت =/130 روپے فی کلو کے حساب سے مطلع کر دی ہے۔ آخری صارفین کے لیے فروخت کی قیمت کو اس سطح پر برقرار رکھنا سنگین تشویش کا باعث ہوگا۔ کرشنگ سیزن 2022-23 کے دوران کاشتکاروں کو اچھی ادائیگی کے باوجود، صوبے میں گنے کی فصل بہتر نہیں تھی جیسا کہ چینی کی کرشنگ اور پیداوار کے حجم سے دیکھا جاسکتا ہے۔ سندھ میں پانی کی کمی ایک بڑی رکاوٹ ہے۔ کرشنگ سیزن 2023-24 کا آغاز ہو چکا ہے اور توقع ہے کہ چینی کی پیداوار گزشتہ سال کے مقابلے زیادہ ہوگی لیکن گنے کی کرشنگ کا بڑا حجم حاصل ہونے کے بعد حقیقی پوزیشن قائم ہوگی۔ ملک میں شوگر انڈسٹری کے لیے یہ ایک بہت بڑی تشویش ہے کہ خام مال کو حکومت کنٹرول کرتی ہے جب کہ حتمی مصنوعات کی قیمتوں کو مارکیٹ فورسز کے لیے کھلا چھوڑ دیا جاتا ہے۔



زیر جائزہ مدت کے دوران بورڈ کے چھ اجلاس منعقد ہوئے اور ہر ڈائریکٹر کی حاضری حسب ذیل تھی۔

درجہ	شرکت	ڈائریکٹر کے نام	
1-	6	جناب ضیاء زکریا (چیئر مین)	نان ایگزیکٹو
2-	1	جناب یوسف ایوب	ایگزیکٹو
3-	0	جناب سلیمان ایوب	ایگزیکٹو
4-	4	جناب نور محمد زکریا	ایگزیکٹو
5-	6	محترمہ منیفہ ایوب	نان ایگزیکٹو
6-	2	جناب شمیم احمد	آزاد ڈائریکٹر
7-	6	جناب فرخ یاسین	آزاد ڈائریکٹر
8-	3	جناب محمد سلیم ایوب	ایگزیکٹو
9-	4	جناب اسد احمد محی الدین	نان ایگزیکٹو
10-	4	جناب خرم آفتاب	آزاد ڈائریکٹر

جناب شمیم احمد، جناب سلیمان ایوب اور جناب یوسف ایوب 30 مارچ 2023 کو ہونے والے ڈائریکٹرز کے انتخاب سے قبل بورڈ کے ممبر تھے۔ مسٹر یوسف ایوب چیف ایگزیکٹو آفیسر تھے اور ان کا انتقال 9 جنوری 2023 کو ہوا اور جناب نور محمد زکریا کو بورڈ نے چیف ایگزیکٹو آفیسر کے طور پر شامل کیا گیا۔ پاکستان اسٹاک ایکسچینج کے لسٹنگ ریگولیشنز کے تحت مطلوبہ مالیاتی گوشواروں کے متعلقہ نوٹ میں ایگزیکٹو ڈائریکٹرز کے معاوضے کی تفصیلات بھی فراہم کی گئی ہیں۔ نان ایگزیکٹو اور آزاد ڈائریکٹرز کو میٹنگ فیس کے علاوہ کوئی معاوضہ ادا نہیں کیا جاتا۔

آڈٹ کمیٹی:

پاکستان اسٹاک ایکسچینج کے لسٹنگ ریگولیشن میں شامل کوڈ آف کارپوریٹ گورننس کے تحت مطلوبہ طور پر، بورڈ نے مندرجہ ذیل ڈائریکٹرز پر مشتمل ایک آڈٹ کمیٹی تشکیل دی ہے۔ زیر غور مدت کے دوران آڈٹ کمیٹی کے چار اجلاس منعقد ہوئے اور ہر ممبر کی حاضری حسب ذیل تھی۔

درجہ	شرکت	ڈائریکٹر کے نام	
1-	2	جناب شمیم احمد چیئر مین	آزاد ڈائریکٹر
2-	2	جناب خرم آفتاب چیئر مین	آزاد ڈائریکٹر
3-	4	جناب ضیاء زکریا ممبر	نان ایگزیکٹو
4-	4	محترمہ منیفہ ایوب ممبر	نان ایگزیکٹو

جناب شمیم احمد ایکشن سے پہلے آڈٹ کمیٹی کے رکن تھے اور انتخاب کے بعد بورڈ نے جناب خرم آفتاب کو آڈٹ کمیٹی کا چیئر مین بنایا۔ آڈٹ کمیٹی کے ٹرمز آف ریفرنس کا تعین بورڈ نے کیا ہے جیسا کہ پاکستان اسٹاک ایکسچینج کے لسٹنگ ریگولیشنز میں بیان کیا گیا ہے۔

- 3- مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
 - 4- بین الاقوامی مالیاتی رپورٹنگ کے معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالی بیانات کی تیاری میں پیروی کی گئی ہے۔
 - 5- اندرونی کنٹرول کا نظام ڈیزائن میں درست ہے اور اس مدت کے دوران مؤثر طریقے سے نافذ اور نگرانی کی گئی ہے۔
 - 6- کمپنی کو جاری رکھنے کی کمپنی کی صلاحیت پر کوئی خاص شک نہیں ہے۔
 - 7- پاکستان اسٹاک ایکسچینج کے لسٹنگ ریگولیشنز کے مطابق کوڈ آف کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی اخراج نہیں ہوا ہے۔
 - 8- کوئی بقایا قانونی ادائیگیاں نہیں ہوئی ہیں، سوائے ان کے جو معمول کے کاروبار کے تحت ہیں اور کچھ متنازعہ معاملات، جو مالیاتی گوشواروں کے متعلقہ نوٹس میں ظاہر ہو رہے ہیں۔
 - 9- 30 ستمبر 2023 تک کمپنی میں شیئر ہولڈنگ کا پیٹرن بھی سالانہ رپورٹ میں شامل ہے۔
 - 10- ڈائریکٹرز، چیف ایگزیکٹو، چیف فنانشل آفیسر، کمپنی سیکرٹری، ان کی شریک حیات یا نابالغ بچوں نے کمپنی کے حصص میں کوئی تجارت نہیں کی سوائے اس کے کہ دوسری صورت میں ظاہر کیا گیا ہو۔
 - 11- پرائیڈنٹ فنڈ سے سرمایہ کاری کمپنیز ایکٹ 2017 کے سیکشن 218 اور اس مقصد کے لیے وضع کردہ قواعد کے مطابق کی گئی ہے۔
- سالانہ رپورٹ میں گزشتہ دس سالوں کے اہم آپریٹنگ اور مالیاتی اعداد و شمار اور حصص کی ہولڈنگ کا نمونہ شامل کیا گیا ہے۔ ڈائریکٹرز یا ان کی شریک حیات کے انعقاد میں کوئی خاص تبدیلی نہیں آئی سوائے دوسری صورت میں ظاہر کرنے کے۔

بورڈ آف ڈائریکٹرز کی تشکیل:

موجودہ بورڈ آف ڈائریکٹرز کی میعاد 30 مارچ 2023 کو مکمل ہوئی اور مذکورہ تاریخ کو منعقدہ ایکسٹرا آرڈینری جنرل میٹنگ میں شیئر ہولڈرز نے درج ذیل افراد کو بطور ڈائریکٹر منتخب کیا۔
مذکورہ تاریخ سے آپ کی کمپنی کے ڈائریکٹرز کے طور پر۔

1-	جناب ضیاء زکریا	نان ایگزیکٹو ڈائریکٹر
2-	جناب نور محمد زکریا	ایگزیکٹو ڈائریکٹر
3-	جناب محمد سلیم ایوب	ایگزیکٹو ڈائریکٹر
4-	جناب اسد احمد محی الدین	نان ایگزیکٹو ڈائریکٹر
5-	محترمہ منیفہ ایوب	نان ایگزیکٹو ڈائریکٹر
6-	جناب فرخ یاسین	آزاد ڈائریکٹر
7-	جناب خرم آفتاب	آزاد ڈائریکٹر

بورڈ آف ڈائریکٹرز اپنے معزز اسٹیک ہولڈرز کو یقین دلانا چاہتا ہے کہ ان شاء اللہ بہتر نتائج کے حصول کے لیے سرشار کوششیں کی جا رہی ہیں۔ اللہ تعالیٰ سے دعا ہے کہ وہ ہمیں اپنے مطلوبہ اہداف کے حصول کے لیے رہنمائی اور مدد فرمائے۔ (آمین)



کارکردگی کا جائزہ:

شوگر ڈویژن:

زیر غور مدت کے دوران صوبے میں گنے کی فصل اچھی نہیں تھی اور آپ کی کمپنی کی کرشنگ کا حجم کم ہو کر 789,713 میٹرک ٹن رہ گیا تھا جبکہ پچھلے سال اسی عرصے میں 940,764 میٹرک ٹن کرشنگ کی گئی تھی۔ زیر جائزہ مدت کے دوران ریکوری کی شرح کم ہو کر 10.09 فیصد رہ گئی جو گزشتہ سال حاصل کی گئی 10.43 فیصد تھی۔ ریکوری ریٹ میں کمی بنیادی طور پر گنے کے خراب معیار کی وجہ سے تھی جبکہ کرشنگ اس وقت شروع کی گئی جب گنے کی فصل مکمل طور پر پختہ ہو چکی تھی۔ خام مال کی عدم دستیابی کے باعث چیننی کی پیداوار بھی کم ہو کر 79,575 میٹرک ٹن رہ گئی ہے جو کہ گزشتہ سال کے دوران 98,110 میٹرک ٹن کی پیداوار تھی۔

میڈیم ڈینسٹی فائبر (MDF) بورڈ ڈویژن:

MDF بورڈ ڈویژن نے نازک حالات میں اچھی کارکردگی کا مظاہرہ کیا اور مختلف موٹائی میں 66,227 کیوبک میٹر مصنوعات تیار کیں جبکہ پچھلے سال کے دوران 67,506 کیوبک میٹر کی پیداوار کی گئی تھی۔ پیداوار گزشتہ سال کے مقابلے میں 1,279 کیوبک میٹر یا 1.89 فیصد سے تھوڑی کم ہے۔ کم پیداوار ملک میں سیلاب کے بعد کے اثرات اور خام مال کی عدم دستیابی کی وجہ سے تھی کیونکہ سیلاب کے دوران خریداری کے تمام ذرائع معطل ہو گئے تھے اور خام مال کی جگہوں تک پہنچنا مشکل تھا۔

پاور جنریشن ڈویژن:

واٹر اینڈ پاور ڈیپارٹمنٹ اتھارٹی کے ساتھ کیا گیا معاہدہ دس سال کے لیے تھا جس کی میعاد ختم ہو چکی تھی۔ اس کے بعد بجلی کی فروخت کی تجویز پیش کی گئی جسے نیشنل الیکٹرک پاور ریگولیٹری اتھارٹی نے منظور کر لیا۔ کمپنی نے سکھرا الیکٹرک سپلائی کمپنی کو 8 میگا واٹ فی گھنٹہ بجلی فروخت کی اور 45.869 ملین روپے کی اضافی آمدنی حاصل کی۔

MDF بورڈ ڈویژن میں سولر سٹیم کی تنصیب:

ملک میں بجلی کی بڑھتی ہوئی قیمت کو مد نظر رکھتے ہوئے انتظامیہ نے ایم ڈی ایف بورڈ ڈویژن میں سولر پاور پلانٹ لگانے کا فیصلہ کیا۔ تنصیب کے بعد سے، سسٹم نے ایم ڈی ایف بورڈ ڈویژن کو وافر مقدار میں بجلی فراہم کی۔

تعمیل اور مالیاتی رپورٹنگ فریم ورک کا بیان:

- 1۔ کمپنی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی بیانات اس کی حالت، کاموں کے نتائج، کیش فلو اور ایکویٹی میں ہونے والی تبدیلیوں کو کافی حد تک پیش کرتے ہیں۔
- 2۔ کمپنی نے اکاؤنٹس کی مناسب کتابیں رکھی ہیں جیسا کہ قانون کی ضرورت ہے۔



ڈائریکٹرز رپورٹ برائے ممبران

شروع اللہ تعالیٰ کے بابرکت نام سے جو نہایت مہربان اور رحم کرنے والا ہے۔

پیارے ممبران السلام علیکم!

مجھے بورڈ آف ڈائریکٹرز کی جانب سے 30 ستمبر 2023 کو ختم ہونے والے سال کے آڈٹ شدہ مالیاتی گوشواروں اور اس پر آڈیٹرز کی رپورٹ کے ساتھ آپ کی کمپنی کی کامیابیوں کو آپ کے سامنے پیش کرتے ہوئے بہت خوشی محسوس ہو رہی ہے۔ آپ کی کمپنی کی بنیادی سرگرمی چینی اور مختلف موٹائیوں میں MDF بورڈ کی تیاری شامل ہے۔ اہم پیداوار اور مالیاتی اعداد و شمار ذیل میں فراہم کیے گئے ہیں۔

<u>2021-22</u>	<u>2022-23</u>	مالیاتی کارکردگی :
	(روپے ہزاروں میں)	
213,277	478,302	☆ منافع قبل از ٹیکس
(39,958)	(182,958)	☆ ٹیکس کے لئے فراہمی
173,319	295,344	☆ منافع بعد از ٹیکس
Rs.8.47	Rs.14.43	☆ منافع فی شیئر بنیادی
<u>2021-22</u>	<u>2021-22</u>	معلومات بابت پیداوار
940,764	789,713	☆ گنے کی پساائی (میٹرک ٹن)
98,110	79,575	☆ چینی کی پیداوار (میٹرک ٹن)
10.43	10.09	☆ ریکوری برائے چینی (فیصد)
43,125	36,100	☆ پیداوار برائے راب (میٹرک ٹن)
67,506	66,227	☆ ایم ڈی ایف کی پیداوار (کیوبک میٹر)
	(روپے ہزاروں میں)	مالی اعداد و شمار:
10,546,358	13,122,460	☆ فروخت
(9,034,810)	(11,022,278)	☆ لاگت برائے فروختگی
1,511,548	2,100,182	☆ چھام منافع
(74,940)	(67,525)	☆ تقسیمی لاگت
(809,089)	(898,412)	☆ انتظامی اخراجات
(17,733)	(71,351)	☆ دیگر عملیاتی اخراجات
(680,022)	(1,231,552)	☆ مالیاتی اخراجات
25,618	48,944	☆ دیگر آمدنی
257,895	598,016	☆ منافع برائے ایسوسی ایٹ میں
213,277	478,302	☆ قبل از ٹیکس منافع



PROXY FORM

I/We
in the district of being a Member of **AL-NOOR SUGAR MILLS LIMITED**
and holder of Ordinary Shares as per Share
(Number of Shares)

Register **Folio No.** and/or **CDC Participant I.D. No.** and **Sub Account No.**
hereby appoint of
or failing him
of also a member; as my/our Proxy in my/our absence to
attend and vote for me/us at the 54rd Annual General Meeting of the Company to be held on the 25th day of January two
thousand twenty four at 3:00 p.m and at any adjournment thereof :

Signed this day of 2024

WITNESSES:

1. Signature
Name:
Address
CNIC or
Passport No.

Rupees five
Revenue
Stamp

2. Signature
Name:
Address
CNIC or
Passport No.

Signature of Member(s)

NOTE:

1. This Proxy Form, duly completed and signed, must be received at the office of our Shares Registrar not later than 48 hours before the time of holding the meeting.
2. If a member appoints more than one proxy and more than one instruments of proxies are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
3. For CDC Account Holders / Corporate Entities
In addition to the above the following requirements have to be met.
 - (i) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be provided with the proxy form.
 - (ii) In case of a corporate entity, the Board of Directors resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier alongwith proxy form to the Company).



پراکسی فارم

میں / ہم _____ ساکن _____
انور شوگر ملز لمیٹڈ _____
کے رکن و حامل _____ عام حصص برطابق شیئرز رجسٹرڈ فولیو نمبر _____
اور یا سی ڈی سی کے شراکتی آئی ڈی نمبر _____ اور ذیلی کھاتہ نمبر _____
بذریعہ ہذا _____ ساکن _____ یا بصورت دیگر _____
ساکن _____ جو کہ خود بھی ایک ممبر ہے کو اپنی / ہماری غیر موجودگی میں کمپنی کے
54 واں سالانہ اجلاس عام مورخہ 25 جنوری 2024 بوقت 3:00 بجے منعقد یا ملتوی ہونے والے میں رائے دہندگی کیلئے اپنا نمائندہ مقرر کرتا / کرتی ہوں۔

دستخط شدہ بتاریخ _____ بروز _____ 2024۔

گواہان:

برائے کرم پانچ روپے
مالیت کے ریونیو ٹکٹ
چسپاں کریں۔

1- _____ دستخط
_____ نام
_____ پتہ

کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر _____

2- _____ دستخط
_____ نام
_____ پتہ

دستخط برائے ممبر / ممبران _____
(دستخط کمپنی میں درج نمونہ کے دستخط کے مطابق ہونے چاہیے)

کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر _____

نوٹ:

- 1- ہر لحاظ سے مکمل اور دستخط شدہ یہ فارم میٹنگ سے کم از کم 48 گھنٹے قبل کمپنی کے شیئرز رجسٹر کے دفتر میں موصول ہونا چاہیے۔
- 2- اگر کوئی ممبر ایک سے زائد پراکسی نامزد کرتا ہے اور ایک سے زیادہ انسٹرومنٹس آف پراکسی جمع کراتا ہے تو اس صورت میں تمام انسٹرومنٹس آف پراکسی کا عدم قرار دیئے جائیں گے۔
- 3- سی ڈی سی اکاؤنٹ رکھنے والے / کارپوریٹ ادارے مزید برآں درج شرائط کو پورا کریں گے۔
(i) پراکسی فارم کے ہمراہ مالکان کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول بھی دی جائیں۔
(ii) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی مع دستخط کے نمونے (اگر پہلے جمع نہ کرایا ہو) کمپنی میں پراکسی فارم کے ساتھ جمع کرانی ہوگی۔



Al-Noor Sugar Mills Ltd.
96-A, Sindhi Muslim Society
Karachi 74400
www.alnoorsugar.co