



AL-NOOR SUGAR MILLS LTD.



ANNUAL REPORT

2017

CONTENTS



	Page No.
Company Information.....	02
Mission Statement & Vision Statement	03
Code of Conduct	04
Notice of Annual General Meeting	05
Directors' Report	08
Directors' Report Urdu	19
Statement of Compliance with the Code of Corporate Governance	20
Key Operation and Financial Data for Ten Years	22
Review Report to the Members on Statement of Compliance with best Practices of Code of Corporate Governance from Auditors	23
Auditors' Report to the Members	24
Balance Sheet	25
Profit & Loss Account	26
Statement of Comprehensive Income	27
Cash Flow Statement	28
Statement of Changes in Equity	29
Notes to the Financial Statements	30
Pattern of Share Holding	67
Jama Ponji	69
Form of Proxy (English and Urdu)	

COMPANY INFORMATION

BOARD OF DIRECTORS

MR. YUSUF AYOOB
MR. ISMAIL H. ZAKARIA
MR. SULEMAN AYOOB
MR. A. AZIZ AYOOB
MR. NOOR MOHAMMAD ZAKARIA
MR. ZIA ZAKARIA
MR. SALIM AYOOB
MR. ZOHAIR ZAKARIA
MR. SHAMIM AHMAD
MR. MUHAMMAD ASIF

Chairman
Managing Director
Resident Director

Independent Director
(N.I.T. Nominee)

BOARD AUDIT COMMITTEE

MR. A. AZIZ AYOOB
MR. ZIA ZAKARIA
MR. SHAMIM AHMAD
MR. MUHAMMAD ASIF

Chairman
Member
Independent Director
Member

HUMAN RESOURCE AND REMUNERATION COMMITTEE

MR. NOOR MOHAMMAD ZAKARIA
MR. ISMAIL H. ZAKARIA
MR. ZIA ZAKARIA

Chairman
Member
Member

CHIEF FINANCIAL OFFICER

MR. ZOHAIR ZAKARIA

COMPANY SECRETARY

MR. MOHAMMAD YASIN MUGHAL
FCMA

AUDITORS

KRESTON HYDER BHIMJI & CO.
Chartered Accountants

LEGAL ADVISOR

MR. ABDUL SATTAR PINGAR

REGISTERED OFFICE

96-A, SINDHI MUSLIM SOCIETY,
KARACHI-74400
Tel: 34550161-63 Fax: 34556675

FACTORY

SHAHPUR JAHANIA, P.O. NOOR JAHANIA, TALUKA MORO,
DISTRICT SHAHEED BENAZIR BHUTTO ABAD (NAWABSHAH)

REGISTRAR & SHARE REGISTRATION OFFICE

C & K MANAGEMENT ASSOCIATES (PVT) LTD.
404-TRADE TOWER,
ABDULLAH HAROON ROAD,
NEAR METROPOLE HOTEL,
KARACHI - 75530

WEBSITE

www.alnoorsugar.co



Mission Statement

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 Statement

To be a model company producing sugar and allied products of international quality by maintaining a 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 MEETING

Notice is hereby given that 48th 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, 25th January, 2018 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 29th March, 2017.
2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended September 30, 2017 together with the Directors' and Auditors' Reports thereon.
3. To appoint Auditors and to fix their remuneration for the year ended 30th September 2018. The present Auditors M/s Kreston Hyder Bhimji & Co., Chartered Accountants, retire and offer themselves for re-appointment.

OTHER BUSINESS

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

By Order of the Board



M. YASIN MUGHAL
COMPANY SECRETARY

Karachi: December 28, 2017

NOTE:

1. The Register of the Members of the Company will remain closed from 22nd January, 2018 to 31st January, 2018 (Both days inclusive) for the purpose of holding the Annual General Meeting / Transfer of shares.
2. 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.

3. Submission of copies of CNIC:

SECP has directed vide SRO No.831(1)2012 dated July 05, 2012 to issue dividend warrant only crossed as "A/c Payee only" and should bear the computerized National Identity Card (CNIC) number of the registered member. All those shareholders who have not submitted their valid CNICs are once again requested to send a photocopy of their valid CNIC/NTN alongwith the Folio number(s) to the Company's Share Registrar. No dividend will be payable unless the CNIC number is printed on the dividend warrants, so please let us have your CNIC, failing which we will not be responsible, if we are unable to pay the dividends to the Shareholders who have not submitted their valid CNIC's.

4 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 consisting of 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.

5 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. In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividend and shares outstanding for a period of 3 years or more from the date due and payable shall be deposited to the credit of Federal Government in case of unclaimed dividends and shares, shall be delivered to the SECP.

6 Video Conference Facility:

As per Companies Act, 2017, if the Company receives 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 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 _____,

7 Circulation of Annual Audited Accounts through Email/CD/DVD/ USB:

Pursuant to the directions issued by the SECP vide SRO 787(1) 2014 dated 8 September 2014 and SRO 470(1)/2016 dated 31 May 2016 whereby Securities and Exchange Commission of Pakistan (SECP) has directed and shareholders of the company in the 47th Annual General Meeting held on January 31, 2017 approved circulate Annual Audited Accounts (i.e. Annual Balance Sheet and Profit and loss Accounts, Statement of Comprehensive income, Cash Flow Statement, Notes to the Financial Statements, Auditors' and Directors' Report) along with notice of Annual General Meeting to its members through e-mail /CD/DVD/USB/ at their registered addresses.

Shareholders who wish to receive the printed / hard copy of Financial Statements shall have to fill the standard request form available on the Company's website www.alnoorsugar.co

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

9 CDC Account Holders will further have to follow the under-mentioned guidelines as laid down in Circular I dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

A. For Attending the Meeting:

- i. In case of individuals, the account holder or sub-account holder and/or person whose securities are in group account and their registration details are uploaded as per the Regulations shall authenticate his identity by showing his Original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- ii. In case of corporate entity, the Board of Directors' resolution /power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

B. For appointing proxies:

- i. In case of individuals the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirements.

- ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC number shall be mentioned on the form.
- iii. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv. The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- v. In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature of the nominee shall be submitted (unless it has been provided earlier) along with proxy form to the company.

12 Change of Address:

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 immediately.

DIRECTORS' REPORT TO THE MEMBERS

IN THE NAME OF ALLAH THE MOST GRACIOUS AND MOST MERCIFUL

I take the opportunity with great pleasure to present on behalf of the Board of Directors the audited financial statements of your company for the year ended September 30, 2017. Your company has suffered a loss after tax amounting to Rs.30.319 million as against a profit of Rs.170.080 million earned during the previous year.

The principal activity of the company is to manufacture sugar and MDF Board. Salient comparative production and financial data are provided as under.

PRODUCTION DATA	2016-17	2015-16
Crushing of sugarcane commenced on	15-11-2016	27-11-2015
Crushing completed on	23-03-2017	07-03-2016
Duration of crushing (number of days)	129	102
Sugarcane crushed (metric tons)	1,315,682	907,287
Sugar produced (metric tons)	127,798	92,501
Sugar recovery rate (percentage)	9.70	10.20
Molasses produced (metric tons)	56,560	39,405
MDF production (cubic meters)	56,879	49,165
Operation of MDF Plant (numbers of days)	310	307

FINANCIAL DATA

(Rupees in thousand)

Sales	6,895,714	8,103,145
Cost of sales	(6,190,599)	(7,139,365)
Gross profit	705,115	963,780
Distribution cost	(66,083)	(35,555)
Administrative cost	(449,015)	(435,024)
Other operating expenses	(10,050)	(24,863)
Other income	20,186	19,093
Share of profit in associates	824	18,904
Financial cost	(327,810)	(280,185)
Profit / (loss) before taxation	(126,833)	226,150
Provision for taxation	96,514	(56,070)
Profit / (loss) after taxation	(30,319)	170,080
Earnings / (loss) per share - Basic and diluted	Rs. (1.48)	Rs.8.31

PERFORMANCE REVIEW

SUGAR DIVISION:

The crushing of sugarcane was commenced on November 15, 2016 which continued up to March 23, 2017. During the period your mills crushed 1,315,682 metric tons of sugarcane as against 907,287 metric tons of cane crushed during the last period of crushing. The crushing volume increased by 45 percent as the cane crop was good specifically in the upper part of the Province. Some cane was also procured from Punjab where bumper crop was available to enable maximum capacity utilization of your mills. The production of sugar also increased to 127,798 metric tons particularly due to higher volume of crushing. The recovery declined to 9.70 percent as against 10.20 percent achieved last year. For the crushing period 2017-18, the Government of Sindh notified support cane price of Rs.182/= per forty kg of cane same price was also fixed for last crushing season. The management has reported earlier as well continue to request the Government to fix sugarcane price keeping in consideration the price of the final product in the local and international markets.

During the last three years the production of sugar was in excess of the requirements of the country and the same was the position all over the world. Due to this higher cost of raw material and depressed price of sugar your company has suffered a loss. During the period under consideration the production of sugar was seven million metric tons as against the requirements of the country of about five million metric tons a year.

MEDIUM DENSITY FIBRE (MDF) BOARD DIVISION:

During the period under consideration the MDF board division produced 56,879 cubic meters of various products as against 49,166 cubic meters produced last year. The production is higher by 15.69 percent. The sales volume increased to 80,435 cubic meters as against 73,056 cubic meters sold during the last year. The sales value increased to Rs.2,587.457 million as against Rs. 2,475.365 million achieved last year registering an increase of 4.53 percent. The final products included higher component of value added laminated products which considerably contributed to sales value increase. Export to Afghanistan has declined as some new units have become operational in Khyber Pakhtunkhwa which has the advantage of reduced raw material, labor and also transportation cost to Afghanistan.

POWER GENERATION DIVISION:

Due to the supply demand gap of power in the country and WAPDA's continuous load shedding in order to overcome the short supply. Your Company acquired its own generators. These generators are operated during the crushing season and the electricity produced in excess of the requirement is supplied to WAPDA during the season. During the crushing 2016-17 electricity valuing Rs. 106.085 million was supplied to WAPDA as against RS.99.330 million during the previous year.

CAPITAL EXPENDITURE:

The operation of sugar mills is seasonal and in order to keep the plant and machinery up to date the upgrading and BMR is a continuous process. During the period under review the company has incurred an amount of Rs.558.770 million in order to increase the capacity of plant from 70 cubic meters to 120 cubic meters per day. This plant was put into operation at the end of June 2017.

STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF CORPORATE GOVERNANCE:

1. The Financial Statements prepared by the management of the Company present fairly its states of affairs, the results of operations, cash flow and changes in equity.
2. The Company has maintained proper books of accounts as required under 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.
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, 2017 is also included in the Annual Report.
10. The Directors, Chief Executive, Chief Financial Officer, Comp[any Secretary, their spouses or minor children carried out no trade in the shares of the Company except as otherwise indicated.

11. The value of investment and balance in deposit accounts of Provident Fund based on un-audited accounts as at June 30, 2017 amounted to Rs.135.079 million.

The key operating and financial data of the last ten years and pattern of shareholding 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 the Board of Directors was completed on March 29, 2017 and the member in their Extra Ordinary General Meeting held on the said date elected the following persons as Directors of your company for a period of three years. Incidentally the Directors so elected by the members are the same who were holding the same position previously. During the year five Board meetings were held and attendance by each director was as under.

	NAME OF DIRECTORS	ATTENDED	STATUS
1	Mr. Yusuf Ayoob (Chairman)	4	Non-Executive
2	Mr. Ismail H Zakaria (Managing Director)	5	Executive
3	Mr. Suleman Ayoob	4	Executive
4	Mr. A. Aziz Ayoob	5	Non-Executive
5	Mr. Noor Muhammad Zakaria	3	Non-Executive
6	Mr. Zia Zakaria	5	Non-Executive
7	Mr. Salim Ayoob	4	Non-Executive
8	Mr. Zohair Zakaria	3	Executive
9	Mr. Shamim Ahmad	5	Independent Director
10	Mr. Muhammad Asif	5	N.I.T Nominee

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

AUDIT COMMITTEE:

The Board has also constituted an Audit Committee comprising of the following directors. During the year under review, four meetings of the Audit Committee were held and attendance of each director was as follow.

	NAMES OF DIRECTORS	DESIGNATION	ATTENDED	STATUS
1	Mr. A. Aziz Ayoob	Chairman	4	Non-executive
2	Mr. Zia Zakaria	Member	4	Non-executive
3	Mr. Shamim Ahmad	Member.	4	Independent Director
4	Mr. Muhammad Asif	Member	4	Non-executive

HUMAN RESOURCE AND REMUNERATION COMMITTEE:

The Board in accordance with the requirements of Code of Corporate Governance constituted Human Resource and Remuneration Committee comprising of the following Directors. During the period under review one meeting of the Committee was held and attended by all of the Directors.

	NAMES OF THE DIRECTORS	POSITION	STATUS
1	Mr. Noor Muhammad Zakaria	Chairman	Non-executive
2	Mr. Ismail H Zakaria	Member	Executive
3	Mr. Zia Zakaria	Member	Non-executive

FUTURE OUTLOOK

SUGAR DIVISION

The price of sugarcane is fixed by the Government of Sindh and for the crushing season 2017-18 the same was fixed at Rs. 182/= per forty kg as decided in the meeting with the Sindh Cane Commissioner on November 29th 2017. The concern of the sugar mills is that, the price of final product i.e. sugar is left opened to market forces whereas the cost of the raw material is controlled. The Government protects the interest of the growers, which is highly appreciated, but the interest of the sugar producers remains open to market forces. It was stressed upon the Government that similar control should also be exercised over the price of the sugar. Separate price for industrial, commercial and domestic consumers may also be notified to provide the domestic consumers some relief, whilst the industrial and commercial consumers may pay the market price.

The sugar mills has to procure sugarcane from far flung areas in order to run the mills on economical scale for which high cost of transportation is also paid raising the cost of raw material. In case the recovery rate is declined the cost of production is further enhanced. We, therefore, request the Government through Pakistan Sugar Mills Association to determine the cost of sugarcane keeping in view the selling price of sugar in the domestic and international markets which has never been considered. During the period under consideration the production of sugar was approximately 7.00 million metric tons as against the requirement of the country is about 5.00 million metric tons annually. Sugar stock in excess of the requirement of the country from the current production is about 2.00 million metric tons in addition to the carry forward stock available with the sugar mills. As per estimates the next year production is expected to be even higher and substantial volume of sugar would be available for export. Due to excess production of sugar not only in Pakistan but other countries also, the price of the product is depressed in the local and international markets. Pakistan Sugar Mills Association requested the Government to allow export of 1.5 million tons of sugar with export subsidy of more than Rs.20/= per kg but the Government allowed export of 0.5 million tons only with export subsidy of 10.70 per kg. In order to save the sugar industry of Pakistan there is no option but to allow export of sugar with subsidy after some interval in order to liquidate the surplus stock. Subsequent to the above decision the Government approved further export of 1.500 million tons with a subsidy of Rs.10.70 per kg. The provincial Government also approved further export subsidy of Rs.9.30 per kg which is appreciated but the notification has not yet been issued.

MDF BOARD DIVISION:

The company has acquired new technology and enhanced value addition of the MDF products by adding new lamination processes. The new laminated products have established significant presence due to its higher demand locally and internationally. It is expected that the demand of various products would further enhance resulting in higher contribution for improvement of the bottom line. During the first quarter of the current year i.e. up to December 18th 2017 the plant has operated satisfactorily and produced 4,623 cubic meters of sheets in various thicknesses including laminated sheets and it is expected that the production of the division would further increase during the remaining period of the year.

CREDIT RATING OF THE COMPANY:

JCR-VIS Credit Rating Company Limited 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".

MECHANISM FOR EVALUATION OF THE BOARD:

The Board and Board's committee's members are highly experience personnel and continuously striving to improve their effectiveness and undertake annual review to access the Board performance. The Board also reviews the developments in the corporate sector and governance to ensure that the company remained aligned with the best practices and developments taking place in the corporate sector. In order to ensure on-going effectiveness as high performing Board, a Board Performance Evaluation process has been initiated through introducing a questionnaire covering Board's scope, objectives, functions, company's performance and monitoring. The Board also reviews performance of the CEO against predetermined operational, tactical and strategic goals.

CORPORATE AND SOCIAL RESPONSIBILITY:

During 1969-70 when the Sugar Mills was established at Shahpur Jahania which was totally a forest area and there was a small village on National Highway. The Company being a corporate citizen undertook numbers of welfare activities .i.e. established a school up to secondary level, holding of medical camps on interval basis, financial assistance to deserving villagers, supply of free ration and medical assistance to needy persons. Schooling facility is also available to all children living in the surrounding areas of the mill in addition to the children of the employees.

The Company also provides medical facilities to its employees and availed medical coverage scheme from Pak Qatar Family Takaful Limited. Medical cards have been provided to all executives and employees enabling them to avail medical facilities from the authorized hospitals as and when required.

In addition to above the company is encouraging employment of work force living in the surrounding areas of the mills enabling them to upgrade their living standards. The company makes excellent arrangements for civic, health and accommodation facilities for employees in order to ensure their participation in the development of the area and production of related products. Improved greenery, maintain clean environment around the factory for better housekeeping. The company also provides assistance to the growers to improve the quality of sugarcane by providing quality seed and fertilizer on regular basis. Through these efforts the growers get better returns which enable them to improve their living standards also.

RELATED PARTIES TRANSACTIONS:

All related parties transactions were placed before the Board's Audit Committee and the Board for final approval as required under the Listing Regulations of Pakistan Stock Exchange.

CONTRIBUTION TO NATIONAL EXCHEQUER:

The company is also enhancing the resources of the country in the form of taxes, duties and earning foreign exchange through export of sugar and MDF products.

DIVIDEND:

Cash dividend @ NIL percent i.e. Rs. 0.00 per share of Rs.10/= each. (2016- 40 percent cash dividend i.e. Rs.4/= per share of Rs.10/= each) has been decided for the current year keeping in view the loss suffer by the company.

AUDITORS:

The present Auditors, M/s Kreston Hyder Bhimji and Company, Chartered Accountants, retired and being eligible offer themselves for reappointment for the financial year 2017-18. Audit Committee also recommended their appointment and the Board of DirectorS of the company endorsed the recommendations of the Audit Committee for re-appointment of M/s Kreston Hyder Bhimji and Company, Chartered Accountants, for the year 2017-18 subject to the approval by the members in the forth coming Annual General Meeting.

STAFF RELATIONS

Finally the directors place on record their appreciation for devotion of duty and hard work of the executives, staff members and workers for the 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



ISMAIL H. ZAKARIA
CHIEF EXECUTIVE OFFICER

Karachi: December 28, 2017

متعلقہ پارٹیوں سے لین دین:

تمام متعلقہ پارٹیوں سے کی گئی لین دین کو بورڈ کی آڈٹ کمیٹی کے سامنے پیش کیا جا چکا ہے اور لسٹنگ ریگولیشن آف پاکستان اسٹاک اینڈ ایکسچینج کے قواعد کے تحت انہیں بورڈ کے سامنے بھی منظوری کیلئے پیش کیا گیا ہے۔

قومی خزانے میں حصہ:

کمپنی کی جانب سے ٹیکسوں، ڈیویڈنڈ اور ایم ڈی ایف بورڈ اور چینی برآمد کے ذریعے زرمبادلہ کی صورت میں وطن عزیز کے وسائل میں بھی اضافہ کیا جا رہا ہے۔

تقسیم منافع:

ڈائریکٹروں کی جانب سے NIL فیصد نقد منافع تقسیم کرنے کی سفارش کی گئی ہے جو کہ 10 روپے والے حصص پر 00.0 روپے فی حصص بنتا ہے (برطابق 2016 ، 4 روپے فی حصص یعنی 40 فیصد)۔ کیونکہ کمپنی کو موجودہ سال میں کافی نقصان برداشت کرنا پڑا ہے۔

آڈیٹروں کی تعیناتی:

موجودہ آڈیٹر میسرز کریسٹن حیدر بھیم جی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو چکے ہیں اور دوسری مرتبہ بھی اس کام کیلئے اہلیت ہونے کی وجہ سے انہوں نے اپنی خدمات مالی سال 2017-18 کیلئے ایک مرتبہ پھر پیش کی ہیں۔ بورڈ کی آڈٹ کمیٹی نے انکی تعیناتی بارے سال 2017-18 کی ایک مرتبہ پھر سفارش کی ہے اور آپکی کمپنی کے بورڈ آف ڈائریکٹرز نے اس تعیناتی کی منظوری بھی دے دی ہے کہ میسرز کریسٹن حیدر بھیم جی اینڈ کمپنی کو ممبران کے اگلے عام اجلاس کے انعقاد تک اس مقصد کیلئے دوبارہ تعینات کر لیا جائے۔

ملازمین کے روابط:

آخر میں آپکی کمپنی کے ڈائریکٹر انتہائی مسرت کے ساتھ اس بات کو سراہتے ہیں کہ کمپنی کے مقاصد کو آگے بڑھانے اور اہداف کے حصول کی غرض سے انتظامیہ اور ملازمین جس اخلاص اور ٹیم ورک کا مظاہرہ کیا ہے وہ قابل ستائش ہے اور چیلنجز سے بھرپور موجودہ دور میں اسکی بہت ضرورت بھی ہے اور اس بات کی قوی امید کرتے ہیں کہ آنے والے دنوں میں بھی انکی جانب سے اسی جوش و جذبے کا مظاہرہ دیکھنے کو ملے گا۔

بحکم بورڈ

اسماعیل ایچ ڈکریا

چیف ایگزیکٹو آفیسر

بمقام کراچی: بتاریخ 28 دسمبر 2017

ایم ڈی ایف بورڈ ڈویژن:

کمپنی نے نئی ٹیکنالوجی حاصل کی ہے اور اس کی قدر میں اضافہ کرنے کی غرض سے نئی لیمینیشن طریقہ کار کو متعارف کرایا گیا ہے۔ نئی متعارف کردہ لیمینیشن مصنوعات کی طلب میں مقامی اور بین الاقوامی سطح پر مارکیٹوں میں اضافہ ہوا ہے۔ اس بات کی قومی امید ہے کہ مختلف مصنوعات کی طلب میں مستقبل میں مزید اضافہ ہوگا اور اس اضافہ کی مثبت اثرات کمپنی کی منفعت پر بھی پڑھے گے۔ رواں مال کی پہلی سہ ماہی اور پلانٹ کی کارکردگی اطمینان بخش رہی ہے اور اس پلانٹ سے 18 دسمبر 2017 تک 4,623 میٹر بورڈ مختلف موٹائی میں تیار کیا جا چکا ہے اور اس بات کی بھی قومی امکانات موجود ہیں کہ سال رواں کے بقیہ ایام کے دوران ڈویژن کی پیداوار میں مزید اضافہ ہوگا۔

کمپنی کی کریڈٹ ریٹنگ:

JCR-VS کریڈٹ ریٹنگ کمپنی لمیٹڈ کی جانب سے ہمیں ابتدائی متوسط سے طویل المیعاد ادارے کے بطور A-IA-2 (سنگل اے/مائینس اے ٹو) کی ریٹنگ دی گئی ہے، کمپنی کی ریٹنگ اور تاثر متوسط سے طویل المیعاد عرصے کیلئے متوازن ہے۔

بورڈ کی کارکردگی کو جانچنے کیلئے نظام:

بورڈ کی جانب سے مسلسل اس سلسلے میں کوششیں کی جاتی رہتی ہیں کہ اس کی کارکردگی میں اضافہ ہو اور اس سلسلے میں سالانہ نظر ثانی بھی پیش کی جاتی ہے، بورڈ کی جانب سے کارپوریٹ گورننس کے ضمن میں بھی نظر ثانی کو منظر عام پر لایا جاتا ہے تاکہ اس بات کو ممکن بنایا جاسکے کہ کمپنی کارپوریٹ گورننس کے سنہرے اصولوں کی مکمل پاسداری کرے۔ بورڈ کی کارکردگی میں بطور جہد مسلسل بہتری پیدا کرنے کیلئے بورڈ پر فارمنس ایوبیلو ایشن پروسس کا آغاز کیا گیا ہے جس میں سوالناموں کے ذریعے جانچ کا عمل کیا جاتا ہے، یہ سوالنامے بورڈ کے وظائف کی وسعت، مقاصد، افعال کمپنی کی کارکردگی اور مانیٹرنگ جیسے امور کا احاطہ کرتے ہیں۔ بورڈ پہلے سے متعین کردہ کاروباری سرگرمیوں، انتظامی امور کی مہارتوں اور حکمت عملی کے مقاصد کو مد نظر رکھتے ہوئے سی ای او کی کارکردگی کا جائزہ بھی لیتا ہے۔

کارپوریٹ معاشرتی ذمہ داری:

جب 1969-70 میں النور شوگر ملز کی بنیاد بمقام شاہ پور جہانیاں رکھی گئی تو یہاں کا علاقہ جنگلات پر مبنی تھا اور نیشنل ہائی وے کے قریب قائم ایک چھوٹا سا آبادگاروں تھا، ایک ذمہ دار کارپوریٹ شہری ہونے کے ناطے کمپنی نے کمیونٹی کی فلاح و بہبود کیلئے کئی اقدامات اٹھائے جیسا کہ سینڈری کی سطح کے اسکول کا قیام، وقفے وقفے سے طبی معائنے کے کیمپوں کا قیام، مستحق دیہاتیوں کو مالیاتی امداد کی فراہمی، مفت راشن کی فراہمی اور ضرورت مند افراد کو مفت طبی سہولتوں کی فراہمی وغیرہ۔ مل کے ملازمین کے علاوہ اردگرد کے تمام رہائشیوں کو تعلیمی سہولیات مہیا کی گئی ہیں۔

کمپنی کی جانب سے اپنے ملازمین کو بھی طبی سہولیات فراہم کی گئی ہیں اور اس سلسلے میں پاک قطر فیملی ہیڈ کوارٹرز اسکیم کے تحت انہیں تحفظ فراہم کیا گیا ہے۔ تمام ایگزیکٹو اور ملازمین کو میڈیکل کارڈز جاری کئے گئے ہیں تاکہ وہ اس کے ذریعے منظور شدہ ہسپتالوں سے طبی سہولیات حاصل کر سکیں۔ مذکورہ بالا اقدامات کے علاوہ کمپنی کی جانب سے یہ کوشش کی جا رہی ہے کہ کمپنی کے قرب و جوار میں آباد لوگوں کو روزگاری فراہمی کو ممکن بنایا جاسکتا ہے کہ وہ اپنے معیار زندگی کو بہتر بنا سکیں۔ کمپنی کی جانب سے ملازمین کی رہائش، شہری سہولیات اور صحت سے متعلق بہترین اقدامات اٹھائے گئے ہیں تاکہ اس بات کو یقینی بنایا جاسکے کہ علاقہ ترقی کرے اور اس کے ساتھ ساتھ وہاں کی پیداوار اور منسلک پیداوار میں بھی اضافہ ہو۔ کمپنی کی جانب سے مل کے قرب و جوار میں ماحولیات کی صفائی کیلئے نہ صرف صفائی کا انتظام کیا گیا ہے بلکہ حتی الامکان شجر کاری بھی کی گئی ہے۔ کمپنی کی جانب سے کسانوں کو بھی باقاعدہ اچھے معیار کے بیج اور کھاد فراہم کی جاتی ہے تاکہ گنے کے معیار میں بھی اضافہ ہو۔ ان اقدامات کی وجہ سے کسانوں کو ان کی محنت کا بہترین صلہ ملتا ہے اور اس طرح ان کے معیار زندگی کو بلند کرنے میں بھی مدد ملتی ہے۔

انسانی وسائل اور ادائیگیوں سے متعلق کمیٹی:

بورڈ کی جانب سے کوڈ آف کارپوریٹ گورننس کے ضوابط کے مطابق انسانی وسائل اور ادائیگیوں یا ایک کمیٹی بھی تشکیل دی گئی ہے جو درج ذیل ڈائریکٹروں پر مشتمل ہے۔ دوران سال اس کمیٹی کا ایک اجلاس منعقد کیا گیا جس میں ممبران کی حاضری درج ذیل رہی:

نمبر شمار	ڈائریکٹروں کا نام	عہدہ	حاضری
01	جناب نور محمد ذکریا (چیرمین)	چیرمین	1
02	جناب اسماعیل ایچ ذکریا (ممبر)	ممبر	1
03	جناب ضیاء ذکریا (ممبر)	ممبر	1

مستقبل کا جائزہ:

شوگر ڈویژن:

گنے کی قیمتیں حکومت سندھ کی جانب سے مقرر کی جاتی ہیں اور مالی سال 2016-17 کے پائی کے سیزن کیلئے فی من گنے کے نرخ 182 روپے مقرر کئے گئے تھے جب کے مالی سال 2017-18 میں بھی وہی قیمت مقرر کرنے کا فیصلہ سندھ کین کیشن کے اجلاس مورخہ 29 نومبر 2017 میں کیا گیا۔ شوگر ملز کا اس سلسلے میں یہ موقف ہے کہ گنے کی قیمتوں کے تعین کو مارکیٹ کے نظام پر چھوڑ دیا جائے لیکن حکومت خام مال کے نرخ مقرر کرنے کے سلسلے میں بذات خود اقدامات اٹھاتی ہے۔ ایسا کرنے میں حکومت کے پیش نظر کاشتکاروں کے حقوق کا تحفظ ہے جو کہ ایک احسن اقدام ہے لیکن ہماری حکومت سے درخواست ہے کہ چینی کے نرخ مقرر کرنے کے سلسلے میں بھی اسی قسم کے اقدامات اٹھائے جائیں۔ شوگر کی صنعت کو تحفظ دینے کیلئے صنعتی، کمرشل اور گھریلو صارفین کیلئے علیحدہ علیحدہ قیمتیں مقرر کی جائیں اور گھریلو صارفین کو کچھ ریلیف بھی دیا جائے اور کمپنی کو صحیح انداز سے پیداواری عمل کو جاری رکھنے کیلئے دور دراز علاقوں سے بھی گنا حاصل کرنا پڑتا ہے اور اس طرح ٹرانسپورٹ کے اخراجات کی وجہ سے خام مال کی لاگت میں بھی خاطر خواہ اضافہ ہو جاتا ہے۔ اس کے علاوہ ریکوری ریٹ میں کمی واقع ہونے سے لاگت میں اجافہ اور بھی بڑھ جاتا ہے۔ اس لئے ہم نے پاکستان شوگر ملز ایسوسی ایشن کے ذریعے حکومت سے درخواست کی تھی کہ چینی کے مقامی اور عالمی سطح پر نرخوں مد نظر رکھتے ہوئے گنے کی لاگت کا تعین کیا جائے لیکن حکومت کی جانب سے اس مطالبے کی کبھی بھی شنوائی نہیں کی گئی۔ زیر نظر دورانے کے دوران تقریباً 7.00 ملین میٹرک ٹن چینی پیدا کی گئی جبکہ چینی کی سالانہ طلب 5.00 ملین میٹرک ٹن ہے۔ اس طرح طلب کے مقابلے میں ملک میں چینی کی مقدار 2.00 ملین میٹرک ٹن ہے اور ملوں کے پاس پہلے سے موجود اسٹاک اس کے علاوہ ہے۔ ایک اندازے کے مطابق اگلے سال 8.00 ملین میٹرک ٹن چینی پیدا کیا جانے کے امکانات موجود ہیں اور ایسی صورت میں اگلے سال ملک سے برآمد کئے جانے کیلئے وافر مقدار میں چینی موجود ہوگی۔ چینی کی طلب سے زائد پیداوار کی وجہ سے مقامی اور عالمی سطح پر چینی کی قیمتیں دباؤ کا شکار ہیں اس لئے پاکستان شوگر ملز ایسوسی ایشن کی جانب سے حکومت سے مطالبہ کیا گیا ہے کہ 1.5 ملین ٹن چینی کو برآمد کرنے کی اجازت دی جائے اور اس برآمدات کی مد میں حکومت کی جانب سے فی کلو 20 روپے کی سبسڈی بھی دی جائے۔ لیکن حکومت کی جانب سے 1.5 ملین ٹن چینی کی برآمد کی اجازت 10.70 روپے فی کلو سبسڈی کے ساتھ دی گئی۔ پاکستان کی شوگر کی صنعت کو بچانے کیلئے اب اس کے سوا کوئی چارہ نہیں ہے کہ حکومت کی جانب سے وافر مقدار میں موجود چینی کو سبسڈی کے ساتھ کچھ عرصے بعد پھر برآمد کرنے کی اجازت دی جائے تاکہ چینی کے اس اسٹاک کو نقدی میں تبدیل کیا جاسکے۔ اس کے بعد صوبائی حکومت کی جانب سے 9.30 روپے فی کلو کی سبسڈی دی گئی جو کہ وفاقی حکومت کی جانب سے دی جانے والی سبسڈی کے علاوہ ہے جس کے تحت 0.5 ملین ٹن چینی کو برآمد کیا جانا مقصود ہے۔ تاہم اس سلسلے میں عملی اقدامات کیلئے ابھی کوئی نوٹیفکیشن جاری نہیں کیا گیا۔

بورڈ آف ڈائریکٹروں کی ساخت:

موجودہ بورڈ کی مدت 29 مارچ 2017 کو پوری ہو چکی تھی۔ ممبرز نے غیر معمولی اجلاس منعقدہ 29 مارچ 2017 کو مندرجہ ذیل ممبرز کو مزید 3 سال کیلئے منتخب کیا جو کہ اتفاقاً وہی ہیں جو پہلے سے اس پوزیشن پر تھے۔ دوران سال بورڈ کے پانچ اجلاس منعقد کئے گئے جن کے دوران ڈائریکٹروں کی حاضری سے متعلق معلومات ذیل میں پیش خدمت ہے:

نمبر شمار	ڈائریکٹروں کے نام	حاضری	عہدہ
01	جناب یوسف ایوب (چیرمین)	4	غیر انتظامی
02	جناب اسماعیل ایچ ذکریا (مینجنگ ڈائریکٹر)	5	انتظامی
03	جناب سلیمان ایوب	4	انتظامی
04	جناب عزیز ایوب	5	غیر انتظامی
05	جناب نور محمد ذکریا	3	غیر انتظامی
06	جناب ضیاء ذکریا	5	غیر انتظامی
07	جناب سالم ایوب	4	غیر انتظامی
08	جناب زوہیر ذکریا	3	انتظامی
09	جناب شمیم احمد	5	آزاد ڈائریکٹر
10	جناب محمد آصف	5	این آئی ٹی سے نامزد کردہ

انتظامی و غیر انتظامی ڈائریکٹروں کے مشاہرے سے متعلق تفصیلات کو بھی سالانہ مالیاتی رپورٹ میں پاکستان اسٹاک ایکسچینج کے لسٹنگ کے قواعد کی پاسداری کرتے ہوئے متعلقہ نوٹس کے اندر پیش کیا گیا ہے۔ غیر انتظامی ڈائریکٹروں کو میٹنگ فیس کے علاوہ کوئی مشاہرہ نہیں دیا گیا۔

آڈٹ کمیٹی:

بورڈ کی جانب سے ایک آڈٹ کمیٹی بھی تشکیل دی گئی ہے جس کے ممبران میں درج ذیل ڈائریکٹر شامل ہیں۔ دوران سال رواں آڈٹ کمیٹی کے چار اجلاس منعقد کئے گئے ہیں جن میں شرکت کرنے والے ممبران کی حاضری سے متعلق تفصیلات درج ذیل ہیں:

نمبر شمار	ڈائریکٹروں کے نام	حاضری	عہدہ
01	جناب اے عزیز ایوب (چیرمین)	4	آزاد ڈائریکٹر
02	جناب ضیاء ذکریا	4	غیر انتظامی
03	جناب شمیم احمد	4	آزاد ڈائریکٹر
04	جناب محمد آصف	4	غیر انتظامی

پاکستان اسٹاک ایکسچینج کے لسٹنگ کے ضوابط کو مد نظر رکھتے ہوئے بورڈ نے آڈٹ کمیٹی کے کام کی شرائط کا تعین بھی کر رکھا ہے۔

بجلی کی پیداواری ڈویژن:

جیسا کہ گزشتہ سال کی سالانہ رپورٹ میں اس بات کا ذکر کیا گیا تھا کہ واپڈا کی جانب سے فراہم کی جانے والی بجلی میں لوڈ شیڈنگ کی وجہ سے تعطل رہتا ہے اس لئے اس مسئلے سے نمٹنے کی غرض سے آپکی کمپنی نے اپنے جزیٹرز لے لئے ہیں جنہیں پسائی کے سیزن میں استعمال میں لایا جاتا ہے اور ان میں ایندھن کیلئے بائیوگیس کو استعمال کیا جاتا ہے۔ اضافی بوائلر اور ٹربائن جن کی تنصیب مکمل کر لی گئی تھی اب انرجی کی پیداوار کے قابل ہو چکے ہیں اور اس کا نتیجہ یہ نکلا کہ دوران پسائی سیزن 2016-17 پیدا کی جانے والی وافر بجلی کو واپڈا کو سپلائی کیا گیا۔ آپکی کمپنی نے انرجی کی فروخت سے 106.085 ملین روپے کی اضافی آمدن حاصل کی جو کہ گزشتہ سال 99.330 ملین روپے تھی۔

سرمایہ کاری:

چیزوں کی تجدید کرنا اور انہیں متوازن رکھنا شوگر کی صنعت میں ایک مسلسل عمل ہے تاکہ پلانٹ اور مشینری میں ریگولیشنز اور تھارٹی کے قواعد مطابق جدت پیدا کی جاتی رہے، آپکی کمپنی نے پلانٹ کی کارکردگی کو بحال رکھنے کی غرض سے مشین میں اضافوں اور بی ایم آر کی مدد میں 558.770 ملین روپے کے اخراجات کئے ہیں تاکہ پلانٹ کی کارکردگی کو 70 مکعب میٹر روزانہ سے بڑھا کر 120 مکعب میٹر روزانہ کر دیا جائے۔ اس پلانٹ نے 30 جون 2017 کے آخر میں پیداوار کا آغاز کیا۔

کوڈ آف کارپوریٹ گورننس کی پاسداری سے متعلق بیانیہ:

- 1- مینجمنٹ کی جانب سے تیار شدہ مالیاتی دستاویزات کمپنی کے تمام امور، آپریشنز کے نتائج، ترسیل نقد رقوم اور حصص میں ردوبدل سے متعلق معاملات کی صحیح صحیح ترجمانی کرتی ہیں۔
 - 2- کمپنی کی جانب سے متعلقہ ریکارڈز کو باقاعدہ قواعد کے مطابق کھاتوں میں درج کیا گیا ہے۔
 - 3- تمام ترامیمیاتی دستاویزات کی تیاری کے سلسلے میں مناسب محاسبی پالیسیوں پر عمل کیا گیا ہے، نیز تمام ترامیمیاتی تخمینے معقول اور قرین قیاس ہیں۔
 - 4- مالیاتی دستاویزات کی تیاری کے سلسلے میں پاکستان میں مستعمل بین الاقوامی محاسبی معیارات کی مکمل پاسداری کی گئی ہے۔
 - 5- اندرونی طور پر کنٹرول کا نظام انتہائی منظم اور جامع ہے اور اسے مؤثر انداز سے نافذ کیا گیا ہے اور اس پر مکمل نظر رکھی جاتی ہے۔
 - 6- ایسی کوئی وجہ نظر نہیں آتی جس کی بنیاد پر کمپنی کو ختم کرنے سے متعلق کوئی سوال پیدا ہوتا ہو کہ کمپنی اپنا وجود برقرار رکھ پائے۔
 - 7- اسٹاک ایکسچینجز کے لسٹنگ قواعد میں مذکور کارپوریٹ گورننس کی بہترین پالیسیوں سے کوئی ایسا انحراف نہیں کیا گیا جو کہ قابل غور ہو۔
 - 8- قانوناً کمپنی کو کوئی قابل ذکر ادائیگیاں نہیں کرنا پڑیں ماسوائے ان ادائیگیوں کے جو کہ کاروبار میں معمول کا حصہ ہیں اور ماسوائے ان چند تنازعات کے جن کا ذکر مالیاتی دستاویزات کے اندر متعلقہ نوٹس میں کیا جا چکا ہے۔
 - 9- کمپنی کی بابت ترتیب حصص داری کی جدول برائے 30 ستمبر 2017 کو بھی سالانہ رپورٹ کا حصہ بنایا گیا ہے۔
 - 10- کمپنی کے ڈائریکٹروں، چیف ایگزیکٹو، چیف فنانشل آفیسر، کمپنی کے سیکرٹری اور ان کے ازواج اور نابالغ بچوں کی جانب سے کمپنی کے حصص میں ماسوائے اس لین دین کے کہ جس کا ذکر کیا جا چکا ہے کسی قسم کی کوئی اور لین دین نہیں کی گئی۔
 - 11- غیر آڈٹ شدہ پراویڈنٹ فنڈ کے ڈپازٹ اکاؤنٹس میں موجود انویسٹمنٹ اور بیلنس کی قدر بمطابق 30 جون 2017 کو 135.079 ملین روپے بنتی ہے۔
- گزشتہ دس سال سے متعلق اہم مالیاتی و کاروباری معلومات اور ترتیب حصص داری کی جدول کو بھی اس سالانہ رپورٹ کا حصہ بنایا گیا ہے، ڈائریکٹروں اور ان کے ازواج کی ہولڈنگ میں پہلے سے مذکورہ ہولڈنگ سے ہٹ کر کوئی خاطر خواہ تبدیلی نہیں کی گئی۔

کارکردگی کا جائزہ:

شوگر ڈویژن:

مل میں پسانی کا کام 15 نومبر 2016 کو شروع کیا گیا جو 23 مارچ 2017 تک جاری رہا، اس عرصے کے دوران مل میں 1,315,682 میٹرک ٹن گنا پیسا گیا جبکہ یہ مقدار گزشتہ سال پسانی کے سیزن میں 907,287 میٹرک ٹن تھی۔ گنے کی پسانی کی مقدار اس سال گزشتہ سال کے مقابلے میں 45% زائد رہی جس کی اصل وجہ اس سال گنے کی فصل کی پیداوار بالخصوص صوبے کے بالائی حصے میں اچھی رہی مل کی پیداواری صلاحیت کو اچھے طریقے سے استعمال کرنے کیلئے پنجاب سے بھی گنا خرید گیا جہاں گنے کی پیداوار بہت اچھی تھی۔ اس سال چینی کی پیداوار بھی اضافے کے ساتھ 127,798 میٹرک ٹن رہی جس میں بنیادی وجہ گنے کی پسانی کیلئے وافر مقدار میں گنے کی دستیابی تھی اس سال ریکوری میں معمولی کمی ہوئی جو 10.20% سے کم ہو کر 9.70% ہو گئی۔

دوران سال رواں 2017-18 کے سیزن کیلئے حکومت سندھ کی جانب سے فی چالیس کلوگرام گنے کی قیمت = 182 روپے مقرر کی گئی ہے اور یہی قیمت گزشتہ سال بھی حکومت کی جانب سے مقرر کی گئی تھی۔ انتظامیہ کی جانب سے متعدد بار حکومت سے یہ گزارش کی گئی ہے کہ گنے کی قیمتوں کا تعین کرتے وقت مقامی اور بین الاقوامی منڈیوں میں حتمی پیداوار کی قیمتوں کو مد نظر رکھا جائے۔ گزشتہ تین سال سے مقامی سطح پر چینی کی پیداوار کھپت کے مقابلے میں زائد تھی اور بین الاقوامی منڈیوں میں بھی یہی صورتحال پائی جاتی تھی۔ سال رواں کے دوران چینی کی پیداوار تقریباً سات ملین میٹرک ٹن رہی جبکہ اس عرصے کے دوران ملک میں چینی کی طلب پانچ ملین میٹرک ٹن سے بھی کم تھی۔

گزشتہ تین سالوں کے دوران چینی کی پیداوار ملکی اور بین الاقوامی سطح پر طلب سے زائد رہی۔ خام مال کی قیمتوں میں اضافہ اور چینی کی قیمتوں میں کمی کے رجحان کے باعث آپ کی کمپنی کو نقصان برداشت کرنا پڑا۔ زیر نظر دورانیے کے دوران چینی کی پیداوار ۷ ملین میٹرک ٹن اپنی جو کہ ملکی طلب کے حساب سے ۵ ٹن سالانہ کم رہی۔

اوسط کثافت فائبر (ایم ڈی ایف) بورڈ ڈویژن:

دوران سال رواں ایم ڈی ایف بورڈ ڈویژن کی پیداوار 56,879 مکعب میٹر کی مختلف مصنوعات تھیں جبکہ گزشتہ سال ایم ڈی ایف بورڈ کی پیداوار 49,166 مکعب میٹر رہی تھی، اس طرح اس سال بورڈ کی پیداوار میں گزشتہ سال کے مقابلے میں 15.69 فیصد اضافہ ہوا ہے۔ اس سال فروختگی کی قدر گزشتہ سال کے مقابلے میں 4.53 فیصد اضافے کے ساتھ 2,587.45 ملین روپے رہی جبکہ گزشتہ سال فروختگی کی قدر 2,475.365 ملین روپے تھی۔ حتمی پیداوار میں لیومینینڈیشن کی مصنوعات پر ویلویو ایڈیشن کی بدولت فروختگی کے حجم کو بڑھانے میں کافی مدد ملی ہے۔ دوران سال رواں بورڈ سازی کے کچھ یونٹس نے اپنی پیداوار کا آغاز خیر پختون خواہ میں کر دیا جس کی بدولت افغانستان کی برآمدات میں کمی آئی ہے جس کی بنیادی وجہ ان یونٹس کی پیداواری لاگت (خام مال، لیبر اور ٹرانسپورٹ) میں کمی ہے۔

ڈائریکٹرز رپورٹ برائے ممبران

بسم اللہ الرحمن الرحیم

معزز ممبران السلام علیکم

بورڈ آف ڈائریکٹرز کی جانب سے انتہائی مسرت کے ساتھ میں آپ کی خدمت میں کمپنی آڈٹ شدہ مالیاتی دستاویزات برائے سال 30 ستمبر 2017 پیش کر رہا ہوں۔ آپ کی کمپنی نے ادائیگی ٹیکس کے بعد 30.319 ملین روپے کا نقصان حاصل کیا جو کہ گزشتہ برس اسی عرصے کے دوران منافع 170.081 ملین روپے تھا۔ کمپنی کا بنیادی کام چینی اور ایم ڈی ایف بورڈ کی پیداوار ہے چیدہ چیدہ پیداواری اور مالیاتی معلومات کا تقابلی جائزہ ذیل میں پیش کیا جا رہا ہے:

2015-16	2016-17	پیداواری معلومات
27-11-2015	15-11-2016	تاریخ آغاز پسائی
07-03-2016	23-03-2017	پسائی کی تکمیل کی تاریخ
102	129	پسائی کا کل عرصہ (دنوں میں)
907,287	1,315,682	گنے کی پسائی (میٹرک ٹن میں)
92,501	127,798	چینی کی پیداوار (میٹرک ٹن میں)
10.20	9.70	چینی کی ریکوری کی شرح (شرح فیصد میں)
39,405	56,560	راب کی پیداوار (میٹرک ٹن میں)
49,165	56,879	ایم ڈی ایف بورڈ کی پیداوار (مکعب میٹر میں)
307	310	ایم ڈی ایف بورڈ کی پیداوار میں پلانٹ آپریشن (دنوں میں)
(روپے ہزاروں میں)	(روپے ہزاروں میں)	مالیاتی معلومات
8,103,145	6,895,714	فروختگی
(7,139,365)	(6,190,599)	لاگت برائے فروختگی
963,780	705,115	خام منافع
(35,555)	(66,083)	ڈسٹری بیوٹن کے اخراجات
(435,024)	(449,015)	انتظامی اخراجات
(24,863)	(10,050)	دیگر آپریٹنگ لاگت
19,093	20,186	دیگر آمدن
18,904	824	آمدن ایسوسی ایٹس
(280,185)	(327,810)	لاگت برائے تمویل
226,150	(126,833)	منافع/نقصان قبل از ادائیگی ٹیکس
(56,070)	96,514	پروویژن برائے ٹیکس
170,080	(30,319)	منافع/نقصان بعد از ادائیگی ٹیکس
Rs.8.31	Rs. (1.48)	آمدن/نقصان فی حصص - بنیادی و تجلیلی

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED 30TH SEPTEMBER 2017

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in Regulation No 5.19.24 of Pakistan Stock Exchange Limited for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of Corporate Governance.

The Company has applied the principles contained in the CCG in the following manner.

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its board of directors. At present the Board includes:

<u>Category</u>	<u>Names</u>
Independent Director	i) Mr. Shamim Ahmed
Executive Directors	ii) Mr. Ismail H Zakaria
	iii) Mr. Suleman Ayoob
	iv) Mr. Zohair Zakaria
Non-Executive Directors	v) Mr. Yusuf Ayoob
	vi) Mr. A. Aziz Ayoob
	vii) Mr. Noor Mohammad Zakaria
	viii) Mr. Zia Zakaria
	ix) Mr. Salim Ayoob
	x) Mr. Muhammad Asif

The independent director meets the criteria of independence under clause 5.19.1 (b) of the CCG.

2. The directors have confirmed that none of them is serving as director on more than seven listed companies, including this Company.
3. All the resident directors of the Company are registered as tax payers and none of them defaulted in payment of any loan to a banking company, a DFI or any NBFIs or being a broker of stock exchange, has been declared as a defaulter by the stock exchange. None of the directors of the Company is a member of the stock exchange.
4. No casual vacancy occurred in the Board during the year.
5. 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.
6. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, other executives and non-executive directors, have been taken by the Board / shareholders.
8. 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 and the Board met once in every quarter. Written notices of the Board meetings, along with the agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. Since all the directors possess 14 years of education and more than 15 years of experience, they are exempt from the directors' training program under clause 5.19.7 of the Listing Regulations of Pakistan Stock Exchange. However one of the directors has acquired the required certification from the Pakistan Institute of Corporate Governance.

10. No new appointment of CFO, Company Secretary or Head of Internal Audit has been made during the year. The remuneration, terms and conditions of employment of CFO, Company Secretary and Head of Internal Audit and any changes thereto has been approved by the Board.
11. The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of CCG.
15. The Board has formed an Audit Committee. It comprises of four members. All members are non-executive directors including an independent director and Chairman of the Committee is a non-executive director.
16. The meetings of the Audit Committee were held at least once every quarter prior to the approval of interim and final results of the Company as required by the CCG. The terms of reference of the Committee have been formed and advised to the Committee for compliance.
17. The Board has formed Human Resource and Remuneration Committee. It comprises of three members, of whom two are non-executive including Chairman and one executive director.
18. 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 the industry's best practices. They are involved in the internal audit functions on full time basis. The head of internal audit department functionally reports to the Board's Audit Committee.
19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on the code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Listing Regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'close period' prior to the announcement of interim / final results, and business decision, which may materially affect the market price of the Company's securities, was determined and intimated to directors, employees and stock exchange.
22. Material / price sensitive information has been disseminated amongst all the market participants at once through stock exchange.
23. The Company has complied with the requirement relating to maintenance of register of person having access to inside information by designated senior management officer in a timely manner and maintains proper record including basis for inclusion or exclusion of names of persons from the said list.
24. We confirm that all other material principles contained in the CCG have been complied with except those indicated in the notes to the accounts.

Karachi; December 28, 2017



ISMAIL H. ZAKARIA
MANAGING DIRECTOR

KEY OPERATION & FINANCIAL DATA FOR LAST TEN YEARS

(Rupees in thousand)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
						(Restated)	(Restated)			(Restated)
BALANCE SHEET:										
Share Capital	204,737	204,737	204,737	204,737	194,988	185,703	185,703	185,703	185,703	185,703
Reserves	1,332,287	1,391,033	1,232,727	1,028,809	956,392	926,504	980,792	928,612	691,371	568,382
Surplus on revaluation										
of fixed assets	1,098,653	1,140,876	1,184,605	1,230,740	1,243,465	621,224	656,126	708,767	765,432	795,686
Long Term Liabilities	2,198,959	1,607,704	1,120,111	1,174,073	1,052,803	715,979	457,783	408,534	358,463	270,630
Deferred Liabilities	503,451	613,960	648,983	690,169	731,339	374,560	453,761	561,830	518,674	473,657
Current Liabilities	4,177,513	2,044,518	2,758,206	2,236,586	1,930,760	3,147,017	3,142,284	1,431,018	1,283,079	1,542,332
Operating Assets	4,417,460	4,110,945	3,639,629	3,706,951	3,479,922	2,674,032	230,921	2,681,942	2,327,921	2,264,422
Long Term Deposits	5,510	3,560	3,552	46,954	37,889	42,835	42,375	4,688	4,290	5,071
Long Term Loans	3,227	3,935	6,022	3,516	2,196	4,230	5,032	4,476	4,144	-
Long Term Investments	260,309	267,515	260,215	246,884	260,215	172,566	151,852	143,933	143,772	98,416
Current Assets	4,829,094	2,616,873	3,239,951	2,560,809	2,406,599	3,074,050	2,850,409	1,389,425	1,322,595	1,466,075
TRADING:										
Turnover	6,895,714	8,103,145	6,966,274	7,699,097	7,594,313	6,129,081	5,983,046	6,313,220	4,249,981	3,048,478
Gross Profit	705,115	963,780	1,027,737	848,907	8,377,847	678,924	737,206	1,001,803	682,952	622,358
Operating Profit (Loss)	705,925	963,737	1,028,381	851,525	840,823	682,242	739,831	1,006,841	690,503	637,048
Profit(Loss) before Tax	(126,833)	226,150	221,089	76,223	126,267	(85,513)	59,875	391,453	210,749	244,243
Profit(Loss) after Tax	(30,319)	170,080	166,319	31,333	24,074	(43,099)	104,465	254,398	119,738	212,217
Earning per share	(1.48)	8.31	8.12	1.53	1.18	(2.21)	5.63	13.70	6.45	11.26
Cash dividend	-	40%	33%	10%	5%	5%	30%	50%	40%	30%
Bonus shares	-	-	-	-	5%	5%	NIL	NIL	NIL	NIL
SUGAR PRODUCTION:										
a) From Cane	127,798	92,501	104,283	126,719	99,740	88,058	71,655	73,175	66,495	98,113
Sugar Produced (M.Tons)	127,798	92,501	104,283	126,719	99,740	88,058	71,655	73,175	66,495	98,113
Cane crushed (M.Tons)	1,315,682	907,287	1,013,118	1,293,261	959,302	885,101	888,736	774,230	736,420	1,062,304
Recovery (%)	9.70%	10.20%	10.30%	9.80%	10.40%	9.95%	8.05%	9.47%	9.03%	9.24%



REVIEW REPORT TO THE MEMBERS ON THE STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF THE CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance ("the code") prepared by the Board of Directors of **Al-Noor Sugar Mills Limited** ("the Company") for the year ended September 30, 2017 to comply with the requirement of Rule 5.19 of the Rule Book of the Pakistan Stock Exchange Limited, where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirement of the Code. 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 Code.

As part of our audit of 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 Code requires 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 distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the company for the year ended September 30, 2017.

KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS
Engagement Partner: Fahad Ali Sheikh

Karachi, December 28, 2017

KARACHI Office:

Suite No. 1601, 16th Floor, Kashif Centre, Shahrah-e-Faisal, Karachi. Phone: 92-21-35640050-1-2, Fax: 92-21-35640053, E-mail: bhimji@cyber.net.pk, info-khi@hyderbhimji.com

LAHORE Office:

Amin Building, 65-The Mall, Lahore. Phone: 92-42-37352661-37321043 Fax: 92-42-37248113, E-mail: info-lhr@hyderbhimji.com, hyderbhimjilahoreoffice@gmail.com

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206-1st Floor, Business Centre, New Civil Line, Faisalabad. Phone: 92-41-2615632-2615650 Fax: 92-41-2617902 E-mail: hyderbhimjifsd@gmail.com, info-fsd@hyderbhimji.com

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AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **AL-NOOR SUGAR MILLS LIMITED** (the Company) as at **September 30, 2017** and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended 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 purpose of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Repealed Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of account have been kept by the Company as required by the Repealed Companies Ordinance, 1984;
- b) in our opinion:
 - i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the repealed Companies Ordinance, 1984 and are in agreement with the books of account and are further in accordance with the accounting policies consistently applied;
 - ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company.
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity, together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and give the information required by the Repealed Companies Ordinance 1984, 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, 2017 and of profit, total comprehensive income, its cash flows and changes in equity for the year then ended; and
- d) in our opinion, 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.



KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS
Engagement Partner: Fahad Ali Sheikh

Karachi, December 28, 2017

KARACHI Office:

Suite No. 1601, 16th Floor, Kashif Centre, Shahrah-e-Faisal, Karachi. Phone: 92-21-35640050-1-2, Fax: 92-21-35640053, E-mail: bhimji@cyber.net.pk, info-khi@hyderbhimji.com

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BALANCE SHEET

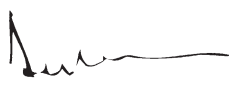
AS AT SEPTEMBER 30, 2017

	Note	2017	2016
		Rupees in thousand	
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	4	4,417,460	4,110,945
Intangible asset	5	-	-
Long term investments	6	260,309	267,515
Long term loans	7	3,227	3,935
Long term deposits	8	5,510	3,560
		4,686,506	4,385,955
CURRENT ASSETS			
Stores, spare parts and loose tools	9	321,159	306,976
Stock in trade	10	3,928,170	1,968,261
Trade debts	11	205,323	62,521
Loans and advances	12	60,281	71,133
Trade deposits and short term prepayments	13	16,033	5,367
Other receivables	14	40,864	40,712
Income tax refund due from Government		25,011	15,453
Income tax refundable - net of provision		103,044	9,558
Cash and bank balances	15	129,209	136,892
		4,829,094	2,616,873
		9,515,600	7,002,828
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Capital		500,000	500,000
50,000,000 ordinary shares of Rs.10 each			
Issued, subscribed and paid-up capital	16	204,737	204,737
General reserve		1,000,000	1,000,000
Share of associate's unrealised loss on remeasurement of associate's investments		(2,110)	(2,038)
Unappropriated profit		334,397	393,071
		1,537,024	1,595,770
Surplus on Revaluation of Property, Plant and Equipment	17	1,098,653	1,140,876
		2,635,677	2,736,646
NON-CURRENT LIABILITIES			
Long term financing	18	2,198,959	1,607,704
Deferred liabilities	19	503,451	613,960
		2,702,410	2,221,664
CURRENT LIABILITIES			
Trade and other payables	20	1,135,688	865,476
Accrued finance cost	21	73,198	47,536
Short term borrowings	22	2,690,155	691,100
Current portion of Long term financing	18	278,472	440,406
		4,177,513	2,044,518
CONTINGENCIES AND COMMITMENTS			
	23	-	-
		9,515,600	7,002,828

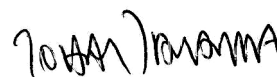
The annexed notes from 1 to 45 form an integral part of these financial statements.



ISMAIL H. ZAKARIA
Chief Executive Officer



SULEMAN AYOOB
Director



Zohair Zakaria
Chief Finance Officer

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Note	2017 Rupees in thousand	2016
Sales	24	6,895,714	8,103,145
Cost of sales	25	(6,190,599)	(7,139,365)
Gross profit		705,115	963,780
Profit/(Loss) from trading activities	26	810	(43)
		705,925	963,737
Less:			
Distribution cost	27	(66,083)	(35,555)
Administrative expenses	28	(449,015)	(435,024)
Other operating expenses	29	(10,050)	(24,863)
		(525,148)	(495,442)
		180,777	468,295
Other income	30	19,376	19,136
		200,153	487,431
Finance cost	31	(327,810)	(280,185)
		(127,657)	207,246
Share of profit in associates	6	824	18,904
(Loss)/Profit before taxation		(126,833)	226,150
Taxation	32	96,514	(56,070)
(Loss)/Profit after taxation		(30,319)	170,080
(Loss) / earnings per share - Basic and Diluted (Rupees)	33	(1.48)	8.31

The annexed notes from 1 to 45 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Note	2017 Rupees in thousand	2016
(Loss)/Profit after taxation		(30,319)	170,080
Other Comprehensive Income			
Items that may be reclassified subsequently to profit and loss			
Share of associate's unrealized (Loss) on remeasurement of its available for sale investment - net of deferred tax	6	(72)	(40)
Total Comprehensive (Loss)/ Income for the year		(30,391)	170,040

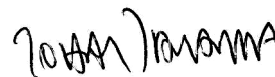
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ISMAIL H. ZAKARIA
Chief Executive Officer



SULEMAN AYOOB
Director



Zohair Zakaria
Chief Finance Officer

CASH FLOW STATEMENT

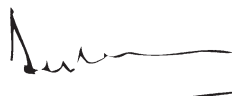
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Note	2017	2016
		Rupees in thousand	
A. CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss)/Profit before taxation		(126,833)	226,150
Adjustments for:			
Depreciation of property, plant and equipment	4.1.2	242,469	235,330
Gain on disposal of property, plant and equipment	30	(10,010)	(1,854)
Loss on disposal of property, plant and equipment	29	-	577
Provision for obsolescence and slow moving items	9.1	10,050	8,926
Finance cost	31	327,810	280,185
Share of profit in associates	6	(824)	(18,904)
		569,495	504,260
Cash generated before working capital changes		442,662	730,410
(Increase) / decrease in current assets			
Stores, spare parts and loose tools		(24,233)	(1,916)
Stock in trade		(1,959,909)	527,703
Trade debts		(142,802)	57,585
Loans and advances		10,852	11,982
Trade deposits and short term prepayments		(10,666)	33,579
Other receivables		(152)	33,496
		(2,126,910)	662,429
Increase / (decrease) in current liabilities			
Trade and other payables		270,212	(201,988)
Short term borrowings		1,999,055	(481,987)
		2,269,267	(683,975)
		585,019	708,864
(Payments to) / Receipts from			
Income tax paid - net		(105,683)	(88,536)
Finance cost paid		(302,148)	(280,763)
Increase in long term loans		708	2,087
Decrease in long term deposits		(1,950)	(8)
		(409,073)	(367,220)
Net cash inflow from operating activities		175,946	341,644
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment		(558,770)	(713,634)
Sale proceeds from disposal of property, plant and equipment		19,796	8,265
Dividend received from long term investment		7,919	11,549
Net cash used in investing activities		(531,055)	(693,820)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		2,050,000	1,144,000
Repayment of long term financing		(1,620,679)	(623,448)
Repayment of liabilities against assets subject to finance lease		-	(62,094)
Dividend paid		(81,895)	(67,563)
Net cash inflows from financing activities		347,426	390,895
Net (decrease)/increase in cash and cash equivalents (A+B+C)		(7,683)	38,719
Cash and cash equivalents at the beginning of the year		136,892	98,173
Cash and cash equivalents at the end of the year		129,209	136,892

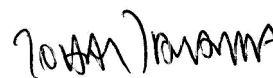
The annexed notes from 1 to 45 form an integral part of these financial statements.



ISMAIL H. ZAKARIA
Chief Executive Officer



SULEMAN AYOOB
Director



Zohair Zakaria
Chief Finance Officer

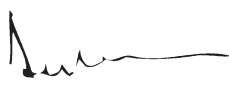
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Issued, Subscribed & paid up capital	General reserves	Un-appropriated profit	Share of associate's unrealized (loss) on remeasurement of investment	Total
..... Rupees in thousand					
Balance as at October 01, 2015	204,737	1,000,000	234,725	(1,998)	1,437,464
During the year ended September 30, 2016					
Transaction with owners					
Final dividend for the year ended September 30, 2015 @ Rs 3.30 per share	-	-	(67,563)	-	(67,563)
Total Comprehensive income for the year	-	-	170,080	(40)	170,040
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	52,831	-	52,831
Share of associate's incremental depreciation of revaluation surplus	-	-	3,006	-	3,006
Share of associate's share in reversal of its associates' incremental depreciation on account of revaluation of property plant and equipment - net of deferred tax	-	-	(23)	-	(23)
Transfer from surplus on revaluation of property, plant and equipment on account of disposal of plant and machinery - net of deferred tax	-	-	-	-	-
Share of associate's share in its associates' incremental depreciation on account of revaluation of property plant and equipment - net of deferred tax	-	-	15	-	15
	-	-	55,829	-	55,829
Balance as at September 30, 2016	204,737	1,000,000	393,071	(2,038)	1,595,770
During the year ended September 30, 2017					
Total Comprehensive Income for the year					
Transaction with owners					
Final dividend for the year ended September 30, 2016 @ Re 4 per share	-	-	(81,895)	-	(81,895)
Total Comprehensive (Loss) for the year			(30,319)	(72)	(30,391)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation	-	-	50,126	-	50,126
Share of associate's incremental depreciation of revaluation surplus	-	-	3,440	-	3,440
Share of associate's share in reversal of its associates' incremental depreciation on account of revaluation of property plant and equipment - net of deferred tax	-	-	(31)	-	(31)
Share of associate's share in its associates' incremental depreciation on account of revaluation of property plant and equipment - net of deferred tax	-	-	5	-	5
	-	-	53,540	-	53,540
Balance as at September 30, 2017	204,737	1,000,000	334,397	(2,110)	1,537,024

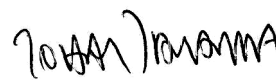
The annexed notes from 1 to 45 form an integral part of these financial statements.



ISMAIL H. ZAKARIA
Chief Executive Officer



SULEMAN AYOOB
Director



Zohair Zakaria
Chief Finance Officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2017

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 in the Province of Sindh. The registered office of the Company is located at 96-A, Sindhi Muslim Cooperative Housing Society, Karachi, Sindh.

2 BASIS OF PREPARATION

2.1 BASIS OF MEASUREMENT

These financial statements have been prepared under the 'historical cost convention' except certain items of property, plant and equipments, stated at revalued amount and long term investment in associates accounted for under equity method and stock in trade when valued at net realizable value. 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 approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Repealed Companies Ordinance, 1984, provisions of and directives issued under the Repealed Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Repealed Companies Ordinance, 1984 shall prevail.

Companies Act, 2017 (the Act) has been promulgated during the year and Companies Ordinance 1984 has been repealed. The Act introduces new disclosure and presentation requirements; however the Securities and Exchange Commission of Pakistan (SECP) vide its circular no. 23 / 2017 dated 4th October 2017 has notified its decision that Companies whose financial year ends on or before December 31, 2017 shall prepare their financial statements have been prepared in accordance with the provisions of the Repealed Companies Ordinance 1984.

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 to determine possible impairment on an annual basis. In making these estimates, the Company uses technical resources available with the Company. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with a corresponding effects on the depreciation and impairment.

b) 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.

c) 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.

d) Impairment

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 profit and loss account.

e) Stores and spare parts and loose tools with respect to provision 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.

f) Trade debts, Loan and Receivables

The Company reviews its doubtful trade debts, loans and receivables at each reporting date to assess whether an impairment allowance should be recorded in the profit and loss account. In particular, judgment by management is required in the estimation of the irrecoverable amount and timing of future cash flow when determining the level of provision required. Such estimates 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 profit and loss account.

g) 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).

h) Provisions

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

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, interpretations and amendments to published approved accounting standards became effective during the year.

IAS - 1 Presentation of Financial Statements: Disclosure Initiative (Amendment)

IAS - 16 Property, Plant and Equipment and IAS 38 - Intangible Assets: Clarification of Acceptable Method of Depreciation and Amortization (Amendment)

IAS - 16 Property, Plant and Equipment and IAS 41 Agriculture - Agriculture: Bearer Plants (Amendment)

IAS - 27 Separate Financial Statements: Equity Method in Separate Financial Statements (Amendment)

IAS - 28 Investment in associates and Joint Ventures

IFRS - 10 Consolidated Financial Statements

IFRS - 11 Joint Arrangements: Accounting for Acquisition of Interest in Joint Operation (Amendment)

These Standards, interpretations and amendments, as also communicated in the preceding year, do not have significant impact on Company's financial statements except for some additional disclosures. In addition to above, certain new cycle of improvements that are applicable in current year, are either considered not to be relevant or are not expected to have significant impact to the Company's financial statements and hence have not been specified.

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

The following Standards, interpretations and amendments to published approved accounting standards that are effective for accounting periods, beginning on or after the date mentioned against each of them.

	Effective dates as determined by relevant IFRS
IAS-7 Statement of Cash flows - Amendment	1-Jan-17
IAS-12 Income Taxes - Recognition of Deferred Tax Assets for unrealized losses (Amendments)	1-Jan-17
IAS-40 Investment Property - Transfers of Investment Property (Amendments)	1-Jan-18
IFRS-2 Classification and Measurement of Share Based Payment Transactions	1-Jan-18
IFRS-4 Insurance Contracts - Applying IFRS 6 Financial Instruments with IFRS 4	1-Jan-18
IFRS-7 Financial Instruments - Disclosure Initiative (Amendments)	1-Jan-17
IFRS-10 Consolidated Financial Statements and IAS 28 - Investment in Associates	Not yet finalized
IFRS-12 Disclosure of Interests in Other Entities and IAS 27 separate financial statements: Investment Entities: Applying the Consolidation Exception (Amendment)	1-Jan-18
IFRIC-22 Foreign Currency Translations and Advance Consideration	1-Jan-18
IFRIC-23 Uncertainty over Income Tax Treatments	1-Jan-19

These standards, interpretations and the amendments are either not relevant to or are not expected to have significant impact on the company's financial statements other than certain additional disclosures, if applicable in certain circumstances.

In addition to above, certain new cycle of improvements will apply prospectively for period beginning on or after 01, October 2017, are either considered not to be relevant or are not expected to have significant impact to the company's financial statements and hence have not been specified.

Moreover, changes have been made in respect of the disclosure and presentation of the financial statements through promulgation of Companies Act, 2017 (the Act) with effect from the May 30, 2017. Section 235 of the repealed Companies Ordinance, 1984 relating to treatment of surplus arising out of revaluation of assets has also not been carried forward in the Companies Act, 2017 to bring it in line with the requirements of IAS 16 – Property, plant and equipment. However, the applicability of the Act in relation to the preparation of these financial statements has been deferred as stated above and effect of same is yet to be assessed.

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

**Effective dates as
determined by
relevant IFRS**

IFRS – 1	First Time Adoption of IFRS	1-Jan-18
IFRS – 9	Financial Instruments : Classification and Measurement	1-Jan-16
IFRS -14	Regulatory Deferral Accounts	1-Jan-18
IFRS – 15	Revenue from Contracts with Customers	1-Jan-19
IFRS – 16	Leases	1-Jan-21
IFRS – 17	Insurance Contracts	

3 SIGNIFICANT ACCOUNTING POLICIES

The Principal accounting policies adopted are set out below

3.1 Property Plant & Equipments

a) Operating assets

Recognition/measurement

Operating fixed assets except furniture, fixture & fittings and vehicles are stated at revalued amounts less accumulated depreciation and impairment, if any. Furniture, fixture & fittings 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. Depreciation on additions including revaluations 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 profit and loss account 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 profit and loss account as incurred.

Revaluation surplus

In accordance with Section 235 of the Companies Ordinance, 1984 an amount equal to the incremental depreciation charged on assets after revaluation has been transferred from the surplus on revaluation of property, plant and equipment to unappropriated profit in the current year through Statement of changes in equity. Consequently incremental depreciation charged for the period on revalued assets is transferred from surplus on revaluation of property, plant and equipment 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 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 balance sheet 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.

3.2 Investment in Associates

The Investment in associates 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 of the investee after the date of acquisition which is recognized in the profit and loss account. Dividend received, if any, reduces the carrying amount of investment. Changes in associate's equity including those arising from incremental depreciation on revaluation of property, plant and equipment are recognized in retained earnings through statement of changes in equity.

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.

3.3 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 balance sheet 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).

3.4 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 of raw material and finished goods 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 balance sheet date.

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

Cost of trading stock is determined using weighted average cost except for those in transit which are stated at invoice price plus other charges paid thereon up to the balance sheet date.

3.5 Trade Debts

Trade debts are carried at original invoice amount that is fair value of goods sold. An impairment allowance for doubtful debt is established when there is objective evidence that the Company will not be able to collect amount due according to the original terms of the debts. When a trade debt is uncollectable, it is written off.

**3.6 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 profit and loss account for the year.

3.7 Compensated unavailed leaves

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

3.8 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 the balance sheet liability method, on all temporary differences at the balance sheet 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 that 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 balance sheet 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 balance sheet.

3.9 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.

3.10 Borrowings and their costs

Borrowings are recorded at the proceeds received.

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 profit and loss account currently.

3.11 Provisions

Estimates and judgments are required with respect to provisions which are reviewed at each balance sheet date and adjusted to reflect current best estimate.

3.12 Financial Instruments

All the financial assets and liabilities are recognized at the time when the company becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Company loses control of the contractual right that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of the financial assets and financial liabilities are taken to profit and loss account.

3.13 Offsetting of Financial Assets and Liabilities

All financial assets and financial liabilities are offset and the net amount is reported in the balance sheet 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.

3.14 Impairment of assets

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicated that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company considers evidence of impairment for receivable and other financial assets at specific asset level. Impairment losses are recognised as expense in profit and loss account. 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 recognised.

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 assets recoverable amount of such assets is estimated. Recoverable amount is higher of an asset's fair value less cost to sell and value in use. An impairment loss is recognised as expense in the profit and loss account for the amount by which asset's carrying amount exceeds its recoverable amount.

3.15 Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates and government levies. The following recognition criteria is adopted for recognizing revenue;

- Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, 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 profit & loss account under equity method (note 3.2) and dividend is credited to investment in associate in the period when the Company's right to receive the payment is established.

3.16 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 and in case of forward contracts at the committed 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 profit and loss account.

3.17 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.

3.18 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. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment and intangible assets.

3.19 Dividends and other appropriations

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

	Note	2017 Rupees in thousand	2016
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	4,157,116	3,467,597
Capital work in progress	4.2	260,344	643,348
		<u>4,417,460</u>	<u>4,110,945</u>

4.1 OPERATING FIXED ASSETS

The following is a statement of operating fixed assets

PARTICULARS	2017										Depreciation Rate	
	NET CARRYING VALUE					GROSS CARRYING VALUE						
	Opening Net Book Value At Oct 01, 2016	Direct Additions	Transfer From CWIP	Disposal	Depreciation	Transfer at NBV - Lease to owned	Net Book Value At Sep 30, 2017	Cost	Accumulated Depreciation	Net Book Value At Sep 30, 2017		
OWNED												
FREE HOLD LAND												
Cost	20,187	-	-	-	-	-	-	-	-	20,187	-	20,187
Revaluation	135,013	-	-	-	-	-	-	-	-	135,013	-	135,013
FACTORY BUILDING												
Cost	110,936	-	12,040	-	9,099	-	113,877	175,056	82,128	92,928	82,128	92,928
Revaluation	98,476	-	-	-	9,848	-	88,628	141,390	52,762	88,628	52,762	88,628
NON FACTORY BUILDING												
Cost	90,275	-	4,899	-	5,239	-	89,935	177,232	87,297	89,935	87,297	89,935
Revaluation	372,715	-	-	-	20,198	-	352,517	476,762	124,245	352,517	124,245	352,517
POWER PLANT												
Cost	166,327	-	85,777	-	17,347	-	234,757	407,484	172,727	234,757	172,727	234,757
Revaluation	17,305	-	-	-	1,731	-	15,574	22,621	7,047	15,574	7,047	15,574
PLANT & MACHINERY												
Cost	1,601,115	23,719	773,251	-	116,476	-	2,281,609	3,969,647	1,667,089	2,302,558	1,667,089	2,302,558
Revaluation	780,131	-	-	-	39,831	-	740,300	1,494,568	754,268	740,300	754,268	740,300
FURNITURE, FIXTURE AND												
Cost	4,183	-	-	-	2,096	-	2,087	16,057	13,970	2,087	13,970	2,087
OFFICE EQUIPMENT												
Cost	10,156	11,904	-	-	5,294	-	16,766	79,314	62,548	16,766	62,548	16,766
VEHICLES												
Cost	60,778	30,184	-	9,786	15,310	-	65,866	167,941	102,075	65,866	102,075	65,866
	3,467,597	65,807	875,967	9,786	242,469	-	4,157,116	7,283,272	3,126,156	4,157,116	3,126,156	4,157,116
TOTAL												
Cost	2,063,957	65,807	875,967	9,786	170,861	-	2,825,084	5,012,918	2,187,834	2,825,084	2,187,834	2,825,084
Revaluation	1,403,640	-	-	-	71,608	-	1,332,032	2,270,354	938,322	1,332,032	938,322	1,332,032
	3,467,597	65,807	875,967	9,786	242,469	-	4,157,116	7,283,272	3,126,156	4,157,116	3,126,156	4,157,116

PARTICULARS	2016										Depreciation Rate	
	NET CARRYING VALUE					GROSS CARRYING VALUE						
	Opening Net Book Value At Oct 01, 2015	Direct Additions	Transfer From CWIP	Disposal	Depreciation	Transfer at NBV - Lease to owned	Net Book Value At Sep 30, 2016	Cost	Accumulated Depreciation	Net Book Value At Sep 30, 2016		
----- Rupees in thousand -----												
FREE HOLD LAND												
Cost	3,787	-	16,400	-	-	-	-	20,187	-	-	20,187	20,187
Revaluation	135,013	-	-	-	-	-	-	135,013	-	-	135,013	135,013
FACTORY BUILDING												
Cost	89,208	-	30,981	-	9,253	-	-	110,936	-	73,029	89,987	89,987
Revaluation	109,418	-	-	-	10,942	-	-	98,476	-	42,914	98,476	98,476
NON FACTORY BUILDING												
Cost	89,947	-	5,647	-	5,319	-	-	90,275	-	82,058	90,275	90,275
Revaluation	394,159	-	-	-	21,444	-	-	372,715	-	104,047	372,715	372,715
POWER PLANT												
Cost	66,790	-	-	-	7,520	-	-	166,327	107,057	155,380	166,327	166,327
Revaluation	19,341	-	-	-	2,036	-	-	17,305	-	5,316	17,305	17,305
PLANT & MACHINERY												
Cost	1,625,637	13,517	74,614	5,863	106,790	-	-	1,601,115	-	1,550,613	1,622,064	1,622,064
Revaluation	822,275	-	-	-	42,144	-	-	780,131	-	714,437	780,131	780,131
FURNITURE, FIXTURE AND FITTINGS												
Cost	6,038	247	-	-	2,102	-	-	4,183	-	11,874	4,183	4,183
OFFICE EQUIPMENT												
Cost	10,711	3,610	-	-	4,165	-	-	10,156	-	57,254	10,156	10,156
VEHICLES												
Cost	59,720	15,847	-	1,125	13,664	-	-	60,778	-	104,311	60,778	60,778
LEASED PLANT & MACHINERY												
Cost	117,008	-	-	-	9,951	-	-	-	(107,057)	-	-	-
TOTAL	3,549,052	33,221	127,642	6,988	235,330	-	-	3,467,597	-	2,901,233	3,467,597	3,467,597
Cost	2,068,846	33,221	127,642	6,988	158,764	-	-	2,063,957	-	2,034,519	2,063,957	2,063,957
Revaluation	1,480,206	-	-	-	76,566	-	-	1,403,640	-	866,714	1,403,640	1,403,640
	3,549,052	33,221	127,642	6,988	235,330	-	-	3,467,597	-	2,901,233	3,467,597	3,467,597

* Additions in land represent the land acquired during the year adjacent to the factory premises located at Shahpur Jahania, District Shaheed Benazirabad, Sindh.

4.1.1 Revaluation of land, buildings and plant and machinery was carried out on September 30, 2013 by an independent valuator on the basis of market value or depreciated replacement values as applicable. Revaluation surplus has been credited to surplus on revaluation of property, plant and equipment account to comply with the requirement of section 235 of the Repealed Companies Ordinance, 1984.

	Note	2017	2016
Rupees in thousand			
4.1.2 Depreciation for the year has been allocated as follows:			
Cost of Sales	25.1	194,332	188,636
Administrative expenses	28	48,137	46,694
		242,469	235,330

4.1.3 Detail of disposal of property, plant, equipment and vehicles
- by negotiation except otherwise stated

Particulars	Cost	Accumulated depreciation	Written down value	Sale proceeds	(Loss)/Gain on disposa	Particulars of Buyer
..... Rupees in thousand						
VEHICLES						
Suzuki Swift AVV-482	984	688	296	725	429	Mr. Muhammad Imran Flat NO. A1/416, Street FL-24, Mohala Unique Classic, Gulistan Johar Block 15, Karachi
Suzuki Swift AVV-481	984	698	286	840	554	Mr. Usman Nazeer Shaikh (House No. 1-297 Sector 5, C-4, North Karachi)
Suzuki Swift AGX-164	1,292	151	1,141	1,327	186	TPL Insurance Co Limited - Insurance claim
Suzuki Swift ATF-502	1,049	834	215	740	525	Mr. Muhammad Sohaib (Fatima Tower Plot NO. 15/139, 4th Floor, Flat NO. 403, Mohala B.M.C.H.S Karachi
Suzuki Liana ASL-095	1,014	826	188	620	432	Mr. Irfan Shamim (House No. 34, Mohala Usmania Society Firdos Colony Karachi)
Hyundai BD-5648	2,550	2,283	267	1,170	903	Mr. Elahi Buksh Near Telephone Exchange Lasi Para Area Malir Karachi
Toyota Vego KV-2626	4,206	281	3,925	4,250	325	Mr. Mareen Khan House No. B-1609, Street No. 2, Muhammadi Colony, Baba Mareen Road Karachi
Suzuki Jiminy BD-9246	1,160	1,005	155	775	620	Mr. Adnan House NO. 88, Mohalla Mumtaz Colony, Near Old Power House Mirpur Khas
Suzuki Alto ASR-369	513	450	63	382	319	Nadeem International Plot No. 164, Jogi Mor Main National Highway Karachi
Suzuki Jiminy BD-8528	1,160	1,011	149	650	501	Nadeem International Plot No. 164, Jogi Mor Main National Highway Karachi
Jeep Ravi BD-9778	3,119	2,713	406	1,000	594	Mr. Shabbirullah House No. A-99, Mohallah Delux Town, Gulzar Hijri Scheme 33, Karachi
Suzuki Cultus AQE-660	713	576	137	635	498	Nadeem International Plot No. 164, Jogi Mor Main National Highway Karachi
Suzuki Cultus ARC-837	585	493	92	340	248	Mr. Muhammad Tarique Aziz, House No. B-18 City Terrace Block No.13 Ghulistan-e-Jahur Karachi.
Suzuki Cultus ARC-843	700	588	112	300	188	Mr. Muhammad Tarique Aziz, House No. B-18 City Terrace Block No.13 Ghulistan-e-Jahur Karachi.
Suzuki Cultus AUN-743	1,200	942	258	1,170	912	Mr. Asadullah Durran, House No.10-A Moona Plaza Ghulistan-e-Iqbal Karachi
Suzuki Cultus ATS-104	845	645	200	600	400	Mr. Karim, Flate No.301 Sadaf Palace Supariwala Street Garden East Karachi
Toyota Corolla BAN-912	1,625	706	919	1,340	421	Mr. Abdul Sattar, House No.20 Sachal Goth PCSIR Malir Karachi
Honda City ATT-084	1,259	982	277	1,000	723	Mr. Ruhail Mithani, Flate No.D-87 Block No.7 Near Clifton Karachi
Suzuki Cultus AYC-541	525	327	198	460	262	Mr. Arsalan Farooq, Flat No.29 Haji Habib Plaza Dhoraji Colony Karachi
Suzuki Cultus ASJ-983	790	644	146	525	379	Mr. Muhammad Yousuf Village Haji Ahmed Sand Arain Tapan House Distt: Tando Mohamad Khan
Aggregate of other items of Property Plant & Equipment with individual book values not exceeding Rs. 50,000	1,059	703	356	947	591	
	27,332	17,546	9,786	19,796	10,010	
2017	27,332	17,546	9,786	19,796	10,010	
2016	12,660	5,672	6,988	8,265	1,277	

4.2 Capital work in progress

2017					
Opening Balance	During the year		Closing Balance		
	Capital expenditure incurred	Transferred to operating fixed assets			
----- Rupees in thousand -----					
Civil works	15,504	26,524	(16,939)	25,089	
Plant and machinery	4.2.1	627,844	439,964	(859,028)	208,780
Advance against Land	4.2.2	-	26,475	-	26,475
		643,348	492,963	(875,967)	260,344

2016					
Opening Balance	During the year		Closing Balance		
	Capital expenditure incurred	Transferred to operating fixed assets			
----- Rupees in thousand -----					
Civil works		40,379	28,153	(53,028)	15,504
Plant and machinery	4.2.1	50,198	652,259	(74,613)	627,844
		90,577	680,412	(127,641)	643,348

4.2.1 Additions to plant and machinery under installation includes borrowing cost of Rs.20.757 million (2016: 28.797 million) capitalize at the effective rate of 6.78%-7.53% (2016: 7.99%-8.45%).

4.2.2 This represent advance paid against acquisition of land situated at Shahpur Jahania Taluka Moro District Shaheed Benazir Bhutto Abad Nawabshah, Total agreed price of Land of Rs.40.800 million.

	Note	2017	2016
Rupees in thousand			
5 INTANGIBLE ASSET			
ERP Software			
Gross Carrying value basis			
Cost		6,873	6,873
Accumulated amortization		(6,873)	(6,873)
		-	-

5.1 Cost of ERP Software has been amortized over the period of 3 years on straight line basis as per company policy; however the software is still in use of the company.

6 LONG TERM INVESTMENTS

Investment in associates: -

	Shahmurad Sugar Mills Limited	Al Noor Modaraba Management (Pvt.) Limited	Total 2017	Total 2016
----- Rupees in thousand -----				
Opening balance	264,418	3,097	267,515	260,215
Share of profit /(Loss) of associates	1,136	(312)	824	18,904
Share of associate's unrealized (loss) on remeasurement of associate's available for sale investment	-	(82)	(82)	(46)
Share of associate's share in reversal of its associates' incremental depreciation on account of revaluation of property plant and equipment.	-	(35)	(35)	(26)
Share of associate's share in its associates' incremental depreciation on account of revaluation of property plant and equipment.	-	6	6	17
Dividend received from associate	(7,919)	-	(7,919)	(11,549)
	(6,783)	(423)	(7,206)	7,300
Closing Balance	257,635	2,674	260,309	267,515

- 6.1** The Company holds 3,299,784 (15.625%) and 500,000 (14.285%) fully paid ordinary shares of Shahmurad Sugar Mills Limited (SSML) and Al-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 Al-Noor Group and having common directors are associates of the Company and this strategic investment in associates is determined by 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.Yusuf Ayoob. The market value of Shahmurad Sugar Mills Limited shares as at September 30, 2017 was Rs.128.692 million. (2016 : Rs.197.525 million).

ANMM was incorporated on July 21, 1991 , its principal business is to float and manage MODARABA and its principal place of business is 96-A, S.M.C.H.S. Karachi. Chief Executive of ANMM is Mr.Jalaluddin Ahmed Breakup value per Share Rs.5.34 (2016: Rs.6.20) and aggregate breakup value of the Company's investment is Rs.2,673 thousand (2016:Rs.3,097 thousands). In view of regulatory framework applicable in Pakistan the financial year end of ANMM is June 30, 2017 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 30,2017 have been used for the purpose of application of equity method.

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

2017		2016	
Shahmurad Sugar Mills Limited	Al Noor Modaraba Management (Pvt.) Limited	Shahmurad Sugar Mills Limited	Al Noor Modaraba Management (Pvt.) Limited
----- Rupees in thousand -----			

Assets, Liabilities and net assets

Assets

Tangible and intangible fixed assets	3,052,313	884	2,541,075	1,400
Long Term Investments	2,673	20,161	3,097	22,805
Other non current assets	84,998	13	4,618	28
Current assets	3,537,186	3,068	1,407,923	3,339
	6,677,170	24,126	3,956,713	27,572

Liabilities

Non - current liabilities	(1,542,234)	(4,398)	(810,804)	(4,160)
Current liabilities	(3,456,917)	(1,029)	(1,428,785)	(1,742)
	(4,999,151)	(5,427)	(2,239,589)	(5,902)

Net assets	1,678,019	18,699	1,717,124	21,670
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Share of net assets	262,190	2,672	268,301	3,097
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Operating Results

Revenue / Income	5,080,704	4,145	5,901,981	2,463
Total expenses	(5,154,789)	(6,352)	(5,731,301)	(6,762)
Share of profit of associates	(312)	74	(590)	410
Taxation	81,665	(52)	(45,219)	(359)
Profit after taxation for the year	7,268	(2,185)	124,871	(4,248)

Share of Al-Noor Sugar Mills Limited	1,136	(312)	19,511	(607)
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	Note	2017	2016
Rupees in thousand			
7 LONG TERM LOANS			
Secured & Interest free			-
Considered good			
Due from - Executives	7.1	2,487	3,022
- Non Executive		9,924	10,981
		12,411	14,003
Less : Current portion of loans			
Due from - Executives		(1,862)	(2,128)
- Non Executive		(7,322)	(7,940)
		(9,184)	(10,068)
		3,227	3,935
7.1 Movement of outstanding amount of loans to Executives:			
Balance at the beginning of the year		3,022	5,279
Disbursed during the year		5,017	5,223
Recovered during the year		(5,552)	(7,480)
Balance at the end of the year		2,487	3,022
7.2			
Loans and advances have been given in accordance with the terms of employment and are recoverable within a period of three years in monthly installments. These are usually granted against the retirement benefits. These interest free long term loan have been carried at cost as the effect of carrying these balances at amortised cost would not be material.			
7.3			
The maximum aggregate amount due from executives at any month end during the year was Rs.6.096 million (2016: 6.651 million).			
	Note	2017	2016
Rupees in thousand			
8 LONG TERM DEPOSITS			
Interest free-considered good			
Utilities		632	632
Others		4,878	2,928
		5,510	3,560
9 STORES, SPARE PARTS AND LOOSE TOOLS			
Stores		129,343	132,997
Spare parts		241,648	217,784
Loose tools		1,038	896
Stores in transit		5,220	1,339
		377,249	353,016
Less: Provision for obsolescence and slow moving items	9.1	(56,090)	(46,040)
		321,159	306,976

	Note	2017	2016
Rupees in thousand			
9.1 Provision for obsolescence and slow moving items			
Opening balance		46,040	37,114
Provision for the year	29	10,050	8,926
Closing balance		56,090	46,040
10 STOCK IN TRADE			
Raw material - in hand		274,242	274,429
- in transit		19,579	26,564
		293,821	300,993
Sugar in process		2,854	11,928
Finished goods/By Products			
Sugar	10.1	3,459,406	1,481,641
MDFB Sheets		137,044	165,201
	10.2	3,596,450	1,646,842
Trading stock of laminated flooring / Edge Banding		3,545	4,873
Baggasse		31,500	3,625
		3,928,170	1,968,261

10.1 Stocks of refined sugar amounting to Rs.2,664 million (2016: Rs.666 million) is pledged against cash finance facilities and Murabaha / Istisna arrangements as referred in Note.23.1 and 21.2 respectively.

10.2 Stock in trade includes stocks costing Rs. 3,892.47 million (2016: Rs. 47.322 million) written down to their net realizable value of Rs. 3,715.88 million (2016: Rs.22.427 million). Further stock of finished sugar includes certain stock which has been damaged due to heavy rain and claim had been lodged with Insurance company, but not finalized yet.

	Note	2017	2016
Rupees in thousand			
11 TRADE DEBTS			
Against Export sales - secured, considered good		122,806	-
Against Local sales - Unsecured, considered good		82,517	62,521
		205,323	62,521

	Note	2017	2016
Rupees in thousand			
12 LOANS AND ADVANCES			
Secured & Interest free			
Current portion of long term loans	7	9,184	10,068
Un-secured & Interest free			
Considered good			
Advances against purchases and services		27,167	29,578
Advances to employees		6,400	7,019
Loans to growers		17,530	24,468
		51,097	61,065
Considered doubtful			
Loans to growers	12.1	36,801	36,801
For purchase and services		1,555	1,555
For transportation		2,740	2,740
		41,096	41,096
		101,377	112,229
Impairment allowance against loans and advances	12.2	(41,096)	(41,096)
		60,281	71,133
12.1			
These overdue loans are given to farmer/growers to support them for sugarcane cultivation and development. These are adjusted against purchase of sugarcane from respective growers. Interest is charged on these loans @ 10%. However, impairment allowance has been made in respect of loans against which future adjustment through purchase of sugarcane is considered doubtful and hence no interest is accrued thereon.			
12.2 Impairment allowance against loans and advances			
Opening balance		41,096	41,096
Allowance made during the year		-	-
Closing balance		41,096	41,096
13 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Trade deposits		13,489	2,850
Short term prepayments		2,544	2,517
		16,033	5,367
14 OTHER RECIEVABLES			
Receivables from related parties	14.1	1,225	300
Sales tax receivable	23.8	31,173	31,173
Cane Development Cess		8,238	8,238
Export freight subsidy	14.2	49,779	49,779
Others		228	1,001
		90,643	90,491
Less: impairment allowance against export freight subsidy	14.2	(49,779)	(49,779)
		40,864	40,712
14.1			
These represent rent and insurance claims receivable from First Al-Noor Modaraba and Reliance Insurance Company Limited, respectively. The maximum aggregate amount due from related parties at the end of any month during the year was Rs.1.225 million (2016: 21.262 million).			
14.2			
This represents freight subsidy on sugar exports receivable from Trade Development Authority of Pakistan. However, due to uncertainties regarding the recoverability of the subsidy, impairment allowance has been made as a matter of prudence.			
14.3			
This represents export subsidy receivable from State Bank of Pakistan Vide EPD Circular Letter No.5 dated March 11, 2015, which have been received during the year.			

	Note	2017	2016
Rupees in thousand			
15 CASH AND BANK BALANCES			
Cash in hand		1,065	582
Cash at banks			
In Current accounts	15.1	61,417	98,901
In Saving accounts	15.2	66,727	37,409
		128,144	136,310
		<u>129,209</u>	<u>136,892</u>

15.1 This carry profit at the rate ranging between 3.45% and 4.21% (2016: 3.75% and 5.02%).

15.2 This includes deposits of Rs. 48.260 million (2016: Rs. 11.098 million) with Shariah Compliant financial institutions.

16 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2017	2016		Note	2017	2016
No. of Shares				Rupees in thousand	
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 otherwise 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 fully paid bonus shares.		159,714	159,714
<u>20,473,702</u>	<u>20,473,702</u>			<u>204,737</u>	<u>204,737</u>

16.1 Associated companies hold 1,986,450 i.e. 9.75% ordinary shares in the Company (2016: 1,996,950 i.e. 9.75%) .

	Note	2017	2016
Rupees in thousand			
17 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT			
Surplus on revaluation of property, plant and equipment	17.1	1,013,230	1,052,013
Share of associates' surplus on revaluation of property, plant and equipment	17.2	85,423	88,863
		<u>1,098,653</u>	<u>1,140,876</u>
17.1 Surplus on revaluation of property, plant and equipment			
Opening balance - gross		1,403,640	1,480,206
Incremental depreciation - net of deferred tax		(50,126)	(52,831)
Related deferred tax liability		(21,482)	(23,735)
		<u>(71,608)</u>	<u>(76,566)</u>
Closing balance - gross		1,332,032	1,403,640
Related deferred tax liability		(318,802)	(351,627)
Revaluation surplus net of deferred tax		<u>1,013,230</u>	<u>1,052,013</u>
17.2 Share of associates' surplus on revaluation of property, plant and equipment			
Opening balance		88,863	91,869
Transfer from surplus on revaluation of property, plant and equipment on account of Share of associate's incremental depreciation of revaluation surplus		(3,440)	(3,006)
		<u>85,423</u>	<u>88,863</u>

AL-NOOR SUGAR MILLS LTD.

18 LONG TERM FINANCING - Secured

Banks	2,046,975	1,212,273
Financial Institution	102,084	228,306
Mudaraba	-	170,125
	2,149,059	1,610,704

18.1

	BANKS				FINANCIAL INSTITUTION				MUDARABA		TOTAL												
	Standard Chartered Bank (Pakistan) Ltd	Faysal Bank Ltd	Bank Alfalah Ltd	Meezan Bank Ltd	Faysal Bank Ltd	Meezan Bank Ltd	Bank Alfalah Ltd	Pak Oman Inv	Pak Oman Inv	Pak Oman Inv	Pak Oman Inv	Standard Chartered Mudaraba	Sindh Mudaraba	Standard Chartered Mudaraba	Total	2016	2017						
Opening balance	400,000	-	250,000	-	183,207	150,000	300,000	200,000	200,000	1,483,207	37,500	37,500	81,250	75,000	77,778	346,528	-	74,375	144,000	218,375	2,046,110	1,572,588	
Add: Receipts	500,000	-	800,000	-	800,000	250,000	-	-	2,050,000	-	-	-	-	-	22,222	22,222	122,222	-	-	-	2,050,000	1,144,000	
Less: Repayment	400,000	-	46,875	-	183,207	150,000	300,000	200,000	1,280,882	37,500	37,500	25,000	25,000	25,000	55,556	55,556	224,306	-	-	-	218,375	1,620,679	823,448
Closing balance	500,000	-	203,125	-	800,000	250,000	-	-	2,253,125	37,500	37,500	56,250	50,000	55,556	22,222	22,222	102,084	-	-	-	218,375	1,620,679	2,498,110
Less: Current Maturity	91,750	-	63,500	-	-	-	-	-	156,250	37,500	37,500	25,000	25,000	22,222	22,222	102,084	-	-	-	-	278,472	440,406	
Shown under current liabilities	408,250	-	146,625	-	800,000	250,000	-	-	2,096,875	37,500	37,500	31,250	25,000	33,334	33,334	102,084	-	-	-	-	218,375	1,607,204	

Description	Diminishing Mudaraba		Diminishing Mudaraba		Term Finance		Medium Term		Medium Term		Shirkat ul Mulk Demand		Diminishing Mudaraba		Long Term Finance		Long Term Finance		Diminishing Mudaraba		Diminishing Mudaraba		
	5 Years	7 Years	5 Years	7 Years	5 Years	7 Years	5 Years	7 Years	5 Years	7 Years	5 Years	7 Years	5 Years	7 Years	5 Years	7 Years	5 Years	7 Years	4 Years	5 Years	5 Years	14 Years	
Sanctioned/Sale Price/Disbursed Amount (Rs in million)	400	500	500	250	250	250	250	300	300	200	200	200	200	200	150	150	50	100	100	100	100	100	144
Facility Tenor	5 Years	5 Years	5 Years	7 Years	7 Years	2 Year	2 Year	5 Years	5 Years	5 Years	5 Years	5 Years	5 Years	5 Years	5 Years	5 Years	5 Years	5 Years	5 Years	4 Years	5 Years	5 Years	14 Years
Grace Period	1 Year	2 Year	1 Year	1 Year	2 Year	2 Year	2 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year	1 Year
Effective rate of markup (per annum)	1.75%	0.66%	3 M KIBOR + 1.50%	3 M KIBOR + 0.50%	3 M KIBOR + 1.50%	3 M KIBOR + 0.50%	3 M KIBOR + 1.50%	3 M KIBOR + 1.75%	3 M KIBOR + 1.50%	3 M KIBOR + 1.50%	3 M KIBOR + 1.50%	3 M KIBOR + 1.50%	3 M KIBOR + 1.50%	3 M KIBOR + 1.50%	6 M KIBOR + 2.00%	6 M KIBOR + 2.00%	6 M KIBOR + 2.00%	6 M KIBOR + 2.00%	6 M KIBOR + 2.00%	6 M KIBOR + 2.00%	6 M KIBOR + 2.00%	6 M KIBOR + 2.00%	6 M KIBOR + 1.50%
Installments Payable	Quarterly	Quarterly	Quarterly	Half Yearly	Half Yearly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Number of installments	16	16	20	10	20	10	10	16	16	16	16	8	16	16	16	16	16	16	16	16	16	16	16
Date of disbursement	08-10-2015	29-11-2016	22-12-2016	29-12-2015	01-06-2017	24-07-2017	24-07-2017	24-03-2014	28-12-2015	09-09-2015	22-06-2016	28-12-2015	28-12-2015	28-12-2015	27-09-2013	30-09-2014	05-12-2014	08-04-2014	06-11-2014	15-05-2012	15-05-2012	30-12-2015	30-12-2015
Date of maturity	08-10-2020	29-11-2021	22-12-2023	29-12-2023	01-06-2024	22-09-2023	24-07-2023	24-07-2023	28-12-2020	08-09-2020	01-07-2021	28-12-2020	28-12-2020	28-12-2020	27-09-2018	30-09-2019	05-12-2019	08-04-2019	06-11-2019	15-05-2016	15-05-2016	30-12-2020	30-12-2020

SECURITIES

Al-Baraka Bank (Pakistan) Ltd Rs.400-M	First pari passu E/M & hypothecation charge over all fixed assets including land, building, Plant & Machinery of Al-Noor Sugar Mills Limited-HDFE Division - New
Standard Chartered Bank (Pakistan) Ltd Rs.300-M	First pari passu E/M & hypothecation charge over all fixed assets including land, building, Plant & Machinery of Al-Noor Sugar Mills Limited-HDFE Division
Faysal Bank Limited Rs.500-M	First pari passu E/M & hypothecation charge over all fixed assets including land, building, Plant & Machinery of Al-Noor Sugar Mills Limited-HDFE Division
Bank Alfalah Ltd-250-M	First pari passu E/M & hypothecation charge over all fixed assets including land, building, Plant & Machinery of Al-Noor Sugar Mills Limited-Sugar 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
Faysal Bank Limited Rs.250-M	First pari passu hypothecation charge over all fixed assets including Plant & Machinery of Al-Noor Sugar Mills Limited-Sugar Division
MCB Bank Ltd Rs. 278.73-M	First pari passu E/M & hypothecation charge over all fixed assets including land, building, Plant & Machinery of Al-Noor Sugar Mills Limited-Sugar Division
Dubai Islamic Bank Pakistan Ltd Rs. 193-M	First pari passu hypothecation charge over all fixed assets including Land, Building, Plant & Machinery of Al-Noor Sugar Mills Ltd- MDPB Division.
Samba Bank Ltd Rs.300-M	First pari passu E/M & hypothecation charge over all fixed assets including land, building, Plant & Machinery of Al-Noor Sugar Mills Limited-Sugar Division
Pak Oman Investment Co. Ltd Rs.200-M	First pari passu E/M & hypothecation charge over all fixed assets including land, building, Plant & Machinery of Al-Noor Sugar Mills Limited-Sugar Division
Pak Oman Investment Co. Ltd Rs.150-M	First pari passu E/M & hypothecation charge over all fixed assets including land, building, Plant & Machinery of Al-Noor Sugar Mills Limited-HDFE Division
Pak Oman Investment Co. Ltd Rs.150-M	First pari passu E/M & hypothecation charge over all fixed assets including land, building, Plant & Machinery of Al-Noor Sugar Mills Limited-HDFE Division
Pak Oman Investment Co. Ltd Rs.50-M	First pari passu E/M & hypothecation charge over all fixed assets including land, building, Plant & Machinery of Al-Noor Sugar Mills Limited-HDFE Division
Pak Bunde Investment Co. Ltd Rs.100-M	First pari passu E/M & hypothecation charge over all fixed assets including Land, Building, Plant & Machinery of Al-Noor Sugar Mills Ltd- MDPB Division.
Pak Bunde Investment Co. Ltd Rs.100-M	First pari passu E/M & hypothecation charge over all fixed assets including Land, Building, Plant & Machinery of Al-Noor Sugar Mills Ltd- MDPB Division.
Standard Chartered Mudaraba Rs. 100-M	First pari passu E/M & hypothecation charge over all fixed assets of Al-Noor Sugar Mills Limited-Sugar Division
Standard Chartered Mudaraba Rs. 144-M	First pari passu E/M & hypothecation charge over all fixed assets of Al-Noor Sugar Mills Limited-Sugar Division
Sindh Mudaraba-85 M	First pari passu hypothecation charge over all fixed assets including Land, Building, Plant & Machinery of Al-Noor Sugar Mills Ltd- Sugar Division.

18.2 Long (financial) under Shirkat compliant arrangements aggregated to Rs. 2,050 million (2016: Rs. 786.375 million).

	Note	2017	2016
		Rupees in thousand	
19 DEFERRED LIABILITIES			
Deferred taxation	19.1	468,331	578,840
Excise duty	19.2	35,120	35,120
		503,451	613,960
19.1 Deferred taxation			
Opening Balance		578,840	613,863
Effect of reduction in tax rate related to revaluation surplus		(11,343)	(12,108)
Effect of items taken to other comprehensive income & statement of changes in equity		(13)	(7)
Reversal for the year to profit and loss account		(99,153)	(22,908)
		468,331	578,840
Deferred tax liabilities / assets arising in respect of:			
Taxable temporary differences			
Accelerated depreciation rates		286,849	306,218
Investment in associates		29,210	30,111
Surplus on revaluation of property, plant and equipments		318,802	351,627
		634,861	687,956
Deductible temporary differences			
Provisions / impairment allowances		(25,583)	(24,046)
Minimum tax carried forward		(140,947)	(85,070)
		(166,530)	(109,116)
		468,331	578,840
19.2			
This represents provision made in respect of denial of excise duty exemption by Central Excise and Land Customs Department vide notification of December 23, 1992. The company had filed a constitutional petition before the High Court of Sindh however the same was rejected by the Sindh High Court. The company had filed an appeal before the Supreme Court of Pakistan against the order of Sindh High Court in respect of which the Honourable Supreme Court of Pakistan has reserved the decision during the year. The Company is confident for a favourable outcome, however as a matter of abundant precaution liability of full amount as recognized earlier has been maintained.			
	Note	2017	2016
		Rupees in thousand	
20 TRADE AND OTHER PAYABLES			
Creditors	20.1	350,634	384,205
Murabaha / Istisna payable	20.2	499,565	-
Accrued expenses		70,118	65,460
Advances from customers		80,939	276,043
Workers' Profit Participation fund	20.3	-	11,130
Workers' welfare fund		4,230	4,230
Unclaimed dividend		5,176	4,201
Unclaimed Bonus Fraction		27	27
Sales tax payable		55,792	65,666
Payable to provident fund - related party		146	11
Trade deposits and retention money		69,061	54,503
		1,135,688	865,476

20.1 This includes Rs.0.702 million (2016: Rs. NIL) payable to related party.

20.2 Murabaha / Istisna have been availed from Islamic banks at 6M Kibor+0.05% to 0.25% per anum (2016: 6M Kibor+0.50% to 1% per anum). 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 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. 1,100 million (2016: Rs 1,100 million). The unavailed facility at the year end amounted to Rs. 600.44 million (2016: 1,100 million).

	Note	2017	2016
Rupees in thousand			
20.3 Workers' Profit Participation fund			
Opening balance		11,130	10,412
Interest on funds utilized	20.3.1	558	676
Allocation for the year	29	-	11,130
		11,688	22,218
Payments made during the year		(11,688)	(11,088)
Closing balance		-	11,130

20.3.1 This carries interest at the rate prescribed under Companies Profit (Workers Participation) Act, 1968 and effective rate of interest applied during the year was 7.10% (2016: 9.10%).

21 ACCRUED FINANCE COST

On Long term financing	10,641	23,968
On Murabaha / Istisna / IERF	17,371	-
On Short term borrowings	45,186	23,568
	73,198	47,536

21.1 This includes Rs. 32.62 million (2016: Rs. 7.5 million) in respect of borrowings under Shariah Compliant arrangements.

22 SHORT TERM BORROWINGS

From banking companies - Secured			
Running finance/Cash finance	22.1 & 22.2	2,690,155	691,100
		2,690,155	691,100

22.1 These carry markup at rates ranging from 1/3/6M Kibor+0.05% to 0.50% (2016 : 1/3/6M Kibor+0.25 to 1.5%) per annum chargeable and payable quarterly. These are secured against pledge of refined sugar (collaterally secured by hypothecation of stock and receivable) and 1st pari passu equitable mortgage charge on fixed assets. The aggregate limit of running finance arrangements is up to Rs.4,625 million (2016: Rs 3,875 million). The aggregate unavailed running finance/cash finance facilities from commercial banks amounts to Rs.1,935 million (2016 : Rs.3,184 million) as on balance sheet date.

22.2 This includes Rs. Nil under Shariah Compliant arrangements.

23 CONTINGENCIES AND COMMITMENTS**a). Contingencies**

- 23.1** A demand of Rs. 6.216 million in respect of sales tax on in house use of baggasse as fuel was raised by the Collectorate of Sales Tax, Hyderabad. The Company has challenged the liability and had filed an appeal before the Appellate Tribunal Karachi. The Appellate Tribunal has remanded back the case to the department of sales tax with a direction to compute the sales value and the sales tax payable thereon correctly after providing proper opportunity to the parties. The Sales Tax Tribunal has also directed the department to consider the fact that there was no deliberate or willful attempt to defraud the revenue therefore, the additional tax liability may be uncalled. However, to avail relief from levy of additional tax, as provided through SRO 1349(1) 99 dated 17th December, 1999, the Company had paid a total amount of Rs. 11.791 million including additional tax of Rs.5.577 million in December, 1999.

The adjudicating authority has conducted the proceedings on remanded back case of the Tribunal and maintained its previous order. The Company had filed an appeal before Collector Appeals which was decided against the company. Against which the company has filed an appeal before the Appellate Tribunal. Appellate Tribunal once again remanded back the case to the adjudicating authority. Thereafter no action has been taken by sales tax department However the company has provided for the contingency for the amount of sales tax and additional tax already paid through the aforesaid SRO.

- 23.2** The Company filed petition before the High Court of Sindh contesting the levy of further tax against taxable supplies made to persons liable to registration under section 3(IA) of the Sales Tax Act, 1990. The entire liability till November 30, 2000 against such further tax had been paid by the Company including additional tax and penalties. During December 2000, a judgment in favor of Company was awarded by the High Court of Sindh. In presence of this the Company has claimed for refund of such further tax amounting to Rs.48.990 million out of which an amount of Rs.5.233 million has been refunded by the department.

The Department of Sales Tax has filed an Appeal before the Honorable Supreme Court against the Order of the High Court of Sindh. The Honorable Supreme Court has allowed the Appeal with direction to the department to act in accordance with law, however ratio-decidenti ordered by the High Court of Sindh has not been reversed, over ruled or amended. The Company is therefore of the view that the final outcome of the matter will be in favor of the Company. Sales Tax department has however raised a demand of further tax involving amount of 116 million, which has been contested by the company in the light of Sindh High Court Judgment. Thereafter the Sales Tax Tribunal has issued order in favor of the company against which the sales tax department filed appeal against the orders of Tribunal which are pending at Honorable Sindh High Court.

- 23.3** The Company's appeal in the Honorable Supreme Court against the Order of the Sindh High Court for levy of Quality Premium has been accepted by the Honorable Supreme Court by assailing the Order of Sindh High Court. Accordingly, no provision has been made in the books of accounts amounting to Rs. 339.65 million (2014: 339.65 million), as the matter is pending in the Honorable Supreme Court. Furthermore as per decision of federal government steering committee held on 16-07-2007, the quality premium shall remain suspended till decision of Honorable Supreme Court or consensus on uniform formula to be developed by MINFAL.

- 23.4** The Company has filed a petition before the Honorable High Court of Sindh against the imposition of special excise duty. The Honorable High Court has issued stay order for the recovery of 70% of the total amount of Rs 7.135 million against excise duty involved. The Company however as a matter of abundant prudent has provided for the amount of said duty in the financial statements. The case has been decided in favor of the Company declaring Special Excise Duty as void ab-initio and of no legal effect. The Inland Revenue department has filed an appeal before Honorable Supreme Court of Pakistan against the decision of Honorable High Court. In previous year, the company has received Show Cause Notice, from department of Inland Revenue -LTU Karachi, against refund claim of Special Excise Duty amounting to Rs. 118.208 million filed by the company, in compliance of order of Honorable High Court of Sindh Karachi.

The company has filed another appeal in Honorable High Court of Sindh Karachi, against the Show Cause Notice issued by the department of Inland Revenue-LTU Karachi. Honorable High Court of Sindh has issued, stay order against the proceedings on the show cause notice.

- 23.5** The company had received Show Cause Notice, from department of Inland Revenue, for recovery of Federal Excise Duty of respect of benefit availed by the company amounting to Rs.51.397 million, under SRO 77(1) 2013 dated 7th February 2013. The company has filed an appeal, before Honorable High Court of Sindh against Show Cause Notice and the Honorable High Court of Sindh has issued, stay order against the proceedings on the Show Cause Notice.
- 23.6** The Company has filed a petition in the Honorable Supreme Court of Pakistan against a show cause notice issued by Competition Commission of Pakistan (CCP), challenging the vary 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. The matter is yet to heard and decided by the Honourable high court . Therefore, there are no financial implications related to this at the moment.
- 23.7** The Company has filed a suit before the Honorable High Court of Sindh against Pakistan Standards and Quality Control Authority (the Authority) challenging the levy of marking fee under PSQCA Act-VI of 1996. The Authority has demanded a fee payment @ 0.1% of ex-factory price for the year 2008-09 amounting to Rs. 6.5 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 Honorable High Court of Sindh has accepted the petition and termed that the impugned notification have been issued without lawful authority and suspended the operation of the impugned, notifications. The constitutional petition filed before the Honorable High Court of Sindh has been allowed in favor of the company. 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 has filed an appeal before the Honorable Supreme Court of Pakistan against the decision of Honorable High Court of Sindh. No provision has been made in this respect.
- 23.8** 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.
- 23.9** Against the sugarcane purchase price of Rs. 172 per 40 kgs as fixed for the season 2013-2014, the company had filed a case before the Honourable High Court of Sindh for linkage with prevailing market sugar price which was dismissed and the matter was taken up with the Honourable Supreme Court. In the due course of time, the Government of Sindh fixed the price of sugarcane at Rs. 182 per 40 kgs for the current season in pursuance of which the Sindh Chamber of Agriculture filed a petition in the Honourable High Court of Sindh. The Honourable 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 Honourable Court has subjected this interim arrangement to the decision of Civil appeal No 48 of 2015 pending before the Honourable 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 Honourable Supreme Court of Pakistan. The Company as a matter of prudence has accounted for the said difference of Rs. 10 per 40 kgs in the accounts aggregating to Rs. 253.279 million.

	Note	2017	2016
Rupees in thousand			
b). Commitments			
The Company's commitment as on September 30, are as follows:			
Letters of credit			
Stores		7,998	34,130
Raw Material		117,863	75,367
Machinery		<u>107,102</u>	<u>79,603</u>
		<u>232,963</u>	<u>189,100</u>

	Note	2017	2016
Rupees in thousand			
24 SALES			
Export		1,419,689	660,108
Local			
Local Sales including Sales Tax and Federal excise duty		6,221,389	8,271,565
Sales tax and federal excise duty		(744,528)	(827,483)
Brokerage and commission		(836)	(1,045)
		5,476,025	7,443,037
		6,895,714	8,103,145
25 COST OF SALES			
Opening stock of finished goods		1,646,842	2,120,074
Cost of goods manufactured	25.1	8,140,207	6,666,133
		9,787,049	8,786,207
Less: Closing stock of finished goods		(3,596,450)	(1,646,842)
		6,190,599	7,139,365
25.1 Cost of goods manufactured			
Raw material consumed	25.1.1	7,629,325	5,933,041
Salaries, wages and benefits	25.1.2	252,679	241,224
Stores and spare parts consumed		197,023	263,374
Packing materials		46,443	36,613
Fuel and oil		92,508	95,330
Power and water		139,209	167,684
Repair and maintenance		113,301	117,725
Insurance		21,205	17,358
Depreciation	4.1.2	194,332	188,636
Other manufacturing expenses		26,592	33,836
		8,712,617	7,094,821
Less:			
Sale of Molasses		441,920	313,091
Sale of Baggasse	25.1.3	3,630	9,240
Inventory adjustment of baggasse		27,875	3,625
Sale of Sunder dust		1,974	570
Sale of Electric Power		106,085	99,330
		(581,484)	(425,856)
Work-in-process			
Opening stock		11,928	9,096
Closing stock		(2,854)	(11,928)
		9,074	(2,832)
		8,140,207	6,666,133
25.1.1 Raw material consumed			
Opening stock		274,429	208,423
Purchases and related expenses		7,629,138	5,999,047
		7,903,567	6,207,470
Closing stock		(274,242)	(274,429)
		7,629,325	5,933,041

25.1.2 It includes Rs. 7.529 million (2016: Rs. 6.951 million) in respect of the Company's contribution towards staff provident fund.

25.1.3 These figures are net of sales tax of Rs.0.617 million (2016 : Rs 1.571 million)

	Note	2017	2016
Rupees in thousand			
26 PROFIT/(LOSS) FROM TRADING ACTIVITIES			
Sales		2,393	2,735
Sales tax		(177)	(415)
		2,216	2,320
Less: Cost of sales			
Opening stock		4,873	6,682
Purchases		-	-
Closing stock		(3,545)	(4,873)
		1,328	1,809
		888	511
Distribution expenses		(78)	(554)
Profit / (loss) for the year		810	(43)
27 DISTRIBUTION COST			
Sales promotion		15,310	10,703
Export sale expenses		10,705	2,267
Dispatch, stacking and other expenses		40,068	22,585
		66,083	35,555
28 ADMINISTRATIVE EXPENSES			
Salaries, wages and benefits	28.1	213,420	194,779
Staff welfare		30,676	30,787
Rent, rates and taxes		7,314	8,345
Electricity and gas charges		11,013	15,883
Repair and maintenance		30,264	41,736
Legal and professional		2,735	3,326
Vehicle running		25,562	24,439
Insurance		4,086	3,468
Communication		7,144	6,047
Entertainment		11,388	10,205
Printing and stationery		1,112	2,175
Fees and subscription		3,629	3,928
Traveling and conveyance		13,021	9,349
Security Expenses		21,224	24,066
Auditors' remuneration	28.2	1,237	1,137
Charity and donation	28.3	4,532	3,792
Depreciation		48,137	46,694
Others		12,521	4,868
		449,015	435,024

28.1 It includes Rs.6.289 million (2016 : Rs. 5.322 million) in respect of the Company's contribution towards staff provident fund.

	Note	2017	2016
Rupees in thousand			
28.2 Auditors' remuneration			
Kreston Hyder Bhimji & Co			
Audit fee		1,000	790
Out of pocket expenses		102	102
Half yearly review fee		93	93
Code of corporate governance review fee		12	12
		1,207	997
A.D.Akhawala & Co. - Provident Fund		30	30
A.D.Akhawala & Co. - Cost Audit		-	110
		30	140
		1,237	1,137
28.3 No directors or their spouses had any interest in the donee funds.			
29 OTHER OPERATING EXPENSES			
Provision for obsolescence and slow moving items	9.1	10,050	8,926
Worker's Profit Participation fund	20.3	-	11,130
Workers welfare fund		-	4,230
Loss on disposal of Property plant & equipment	4.1.3	-	577
		10,050	24,863
30 OTHER INCOME			
Income from financial assets			
Profit on bank deposits		2,373	2,339
Exchange gain on export proceeds		6,693	1,662
		9,066	4,001
Income from non financial assets			
Insurance claim		-	11,838
Gain on disposal of property, plant and equipment	4.1.3	10,010	1,854
Rent from related party		-	600
		10,010	14,292
Income from Others			
Sale of scrap		300	843
		19,376	19,136
31 FINANCE COST			
Profit / Markup / Interest on:			
Long term financing		114,364	148,889
Liabilities against asset subject to finance lease		-	1,223
Short term borrowings			
Cash/Running finance		147,191	102,557
Export refinance		-	166
		147,191	102,723
Murabaha / Istisna		61,415	22,814
Workers' profit participation fund	20.3	558	676
Bank charges		4,282	3,860
		327,810	280,185

31.1 This includes Rs. 131.48 million (2016: 102.9 million) in respect of Shariah Compliant Financial Institutions.

	Note	2017	2016
Rupees in thousand			
32 TAXATION			
Current		2,639	78,978
Deferred		(99,153)	(22,908)
	32.1	<u>(96,514)</u>	<u>56,070</u>
32.1 Tax Reconciliation			
Tax at 30% (2016:31%) on Accounting profit		(38,050)	70,106
Effect of			
Final tax regime		3,691	(5,044)
Minimum tax		131,537	14,232
Dividend income		990	2,392
Share of profit of associate		(247)	(5,860)
Tax credit		(88,275)	(8,726)
Reduction in tax rate		(17,418)	(18,811)
Others		(88,742)	7,781
		<u>(58,464)</u>	<u>(14,036)</u>
		<u>(96,514)</u>	<u>56,070</u>
33 (LOSS) / EARNINGS PER SHARE			
Basic and diluted			
Profit after taxation (Rupees in thousands)		(30,319)	170,080
Weighted average number of ordinary shares outstanding during the year		20,474	20,474
Earnings per share (Rupees)		<u>(1.48)</u>	<u>8.31</u>

34 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.37 Other transactions with related parties are as follows: -

Relationship with the Company	Nature of Transactions	2017	2016
Rupees in thousand			
Associates:			
Reliance Insurance Company Limited	Insurance premium paid	28,273	30,506
	Insurance claims received	-	37,679
	Insurance claims receivable	1,225	300
Shahmurad Sugar Mills Limited	Sale of goods	450,414	323,902
	Dividend received	7,919	11,549
	Share of profit in associates	1,136	19,511
First Al-Noor Modaraba (Pvt) Limited	Rent income	-	600
	Share of loss in associates	(312)	(607)
	Share of other comprehensive loss and item taken directly to equity	(111)	(55)
Staff Retirement Benefits Plan	Employer's contribution to provident fund	13,818	12,273

35 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		Directors		Executives		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
..... Rupees in thousand								
Meeting fee	-	-	187	187	-	-	187	187
Remuneration	7,589	7,589	9,984	9,984	85,088	62,710	102,661	80,283
Provident fund		-		-	9,116	5,137	9,116	5,137
Perquisite (including house rent and bonus)	3,794	3,794	4,992	4,992	113,421	77,085	122,207	85,871
Reimbursable expenses including traveling expenses	2,181	2,614	1,033	1,098	-	-	3,214	3,712
	13,564	13,997	16,196	16,261	207,625	144,932	237,385	175,190
Number of persons	1	1	2	2	127	98		

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

35.2 Meeting fee has been paid to all 06 Directors including CEO.

36 CAPACITY AND PRODUCTION

Sugar Division

	2017	2016
Installed Cane Crushing Capacity per day (M.Ton)	14,500	14,000
No of days Mill operated	129	102
Total Crushing Capacity on basis of no. of days mill operated (M.Ton)	1,870,500	1,428,000
Actual Crushing (M.Ton)	1,315,682	907,287
Sugar Production (M.Ton)	127,798	92,501

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 sucrose recovery. Capacity is under utilized due to shortage of raw-material.

MDF Board division

Mande Line

No. of Days Mill Operated	251	159
Capacity Per Day (Cubic Meter)	120	70
Total Capacity on basis of no. of days (Cubic Meter) mill operated	30,120	11,130
Actual Production (Cubic Meter)	18,510	9,325

The Actual production of mende line of mdfb division was less than actual capacity because the enhancement of capacity from 70 cubic meter to 120 cubic meter was made operational by the end of June 2017.

Sunds Line

No. of Days Mill Operated	310	306
Capacity Per Day (Cubic Meter)	122	122
Total Capacity on basis of no. of days (Cubic Meter) mill operated	37,820	37,332
Actual Production (Cubic Meter)	38,369	39,841

37 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	
	2017	2016	2017	2016	2017	2016
----- Rupees in thousand -----						
REVENUE						
External sales	4,308,256	5,627,781	2,587,458	2,475,364	6,895,714	8,103,145
External Sales of By-product, Electricity and bagasse	579,510	425,286	1,974	570	581,484	425,856
Inter-segment transfer - Electricity	114,753	41,605	-	-	114,753	41,605
Total Revenue	5,002,519	6,094,672	2,589,432	2,475,934	7,591,951	8,570,606
RESULTS						
Profit from operations	50,687	306,494	139,330	186,707	190,017	493,201
Profit / (Loss) from trading activity	-	-	810	(43)	810	(43)
	50,687	306,494	140,140	186,664	190,827	493,158
Other operating expenses					(10,050)	(24,863)
Other Income					19,376	19,136
Finance cost					(327,810)	(280,185)
Share of profit from associates					824	18,904
Profit before tax					(126,833)	226,150
Taxation					96,514	(56,070)
Net profit for the year					(30,319)	170,080
BALANCE SHEET						
Assets						
Segment assets	6,572,875	4,122,328	2,554,361	2,587,974	9,127,236	6,710,302
Investment in associates	260,309	267,515	-	-	260,309	267,515
Unallocated Assets	-	-	-	-	128,055	25,011
Total assets					9,515,600	7,002,828
Liabilities						
Segment liabilities	6,166,054	3,406,891	704,436	839,703	6,870,490	4,246,594
Unallocated liabilities					9,433	19,588
Total liabilities					6,879,923	4,266,182
OTHER INFORMATION						
Additions to property, plant & equipment	281,864	244,115	276,906	469,519	558,770	713,634
Depreciation	132,618	127,343	109,851	107,987	242,469	235,330

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 sales is as follows:

Pakistan	5,476,025	7,443,037
Afghanistan	1,235,515	660,108
Middle East	184,174	-
	6,895,714	8,103,145

38 FINANCIAL ASSETS AND LIABILITIES

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

2017						
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

Loans & advances	-	-	-	33,114	3,227	36,341	36,341
Deposits	-	-	-	13,489	5,510	18,999	18,999
Trade debts	-	-	-	205,323	-	205,323	205,323
Other receivables	-	-	-	1,453	-	1,453	1,453
Cash and bank balances	66,727	-	66,727	62,482	-	62,482	129,209
	66,727	-	66,727	315,861	8,737	324,598	391,325

FINANCIAL LIABILITIES

Long term financing	278,472	2,198,959	2,477,431	-	-	-	2,477,431
Trade and other Payables	499,565	-	499,565	495,162	-	495,162	994,727
Accrued finance cost	-	-	-	73,198	-	73,198	73,198
Short term borrowings	2,690,155	-	2,690,155	-	-	-	2,690,155
	3,468,192	2,198,959	5,667,151	568,360	-	568,360	6,235,511

2016						
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

Loans & advances	-	-	-	41,555	3,935	45,490	45,490
Deposits	-	-	-	2,850	3,560	6,410	6,410
Trade debts	-	-	-	62,521	-	62,521	62,521
Other receivables	-	-	-	1,301	-	1,301	1,301
Cash and bank balances	37,409	-	37,409	99,483	-	99,483	136,892
	37,409	-	37,409	207,710	7,495	215,205	252,614

FINANCIAL LIABILITIES

Long term financing	440,406	1,607,704	2,048,110	-	-	-	2,048,110
Trade and other Payables	11,130	-	11,130	508,407	-	508,407	519,537
Accrued finance cost	-	-	-	47,536	-	47,536	47,536
Short term borrowings	691,100	-	691,100	-	-	-	691,100
	1,142,636	1,607,704	2,750,340	555,943	-	555,943	3,306,283

39 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

39.1 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:

	2017	2016
	(Rupees in thousand)	
Loans and advances	36,341	45,490
Deposits	18,999	6,410
Trade debts	205,323	62,521
Other receivables	1,453	1,301
Bank Balances	128,144	136,310
	<u>390,260</u>	<u>252,032</u>

Loans and advances

These represent balances due from employees that are secured against their balances of retirement benefited and loans to growers which are also provided against 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. Loans to growers are considered good and the Company does not expect default in this respect and also the Company can adjust these against sugarcane hence no impairment allowance is required in this respect.

Deposits

These represent security deposits with utility companies and trade deposits to suppliers. 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 and foreign customers. The Company manages credit risk in respect of trade debts in respect 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. Receivables against sale of electric power are due from Sukkur Electric Power Company; a Government owned entity and chances of default in this respect are remote. Furthermore the Company actively pursues for the recovery and the Company does not expect these companies will fail to meet their obligation and also these are neither past due nor impaired, hence no allowance is necessary in respect of trade debts. Aging of trade debts is as follows;

1 to 3 months	122,806	16,384
3 to 6 months	82,517	46,137
	<u>205,323</u>	<u>62,521</u>

Other receivables

These represent amounts receivables from related and other parties against which the Company actively pursues for the recovery and 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	2017 Rupees in thousand	2016
United Bank Limited	AAA	A-1+	4,332	27,322
Habib Bank Limited	AAA	A-1+	7,427	2,133
Allied Bank Limited	AA+	A1+	136	67
MCB Bank Limited	AAA	A1+	7,306	25,830
Standard Chartered Bank Limited	AAA	A1+	1,434	1,876
National Bank of Pakistan Limited	AAA	A-1+	3,494	878
Faysal Bank Limited	AA	A-1+	8,159	3,682
Bank Al-Falah Limited	AA+	A1+	70,818	50,859
Bank Islami Limited	A+	A1	28	428
Habib Metropolitan Bank Limited	AA+	A1+	1,871	3,420
Al-Baraka Bank (Pakistan) Limited	A	A1	2,168	1,852
Soneri Bank Limited	AA-	A1+	169	172
Industrial Commercial bank of china	A1	P-1	-	2
Meezan Bank Limited	AA	A-1+	3,498	8,032
Burj Bank Limited	A1	A+	18	618
JS Bank Limited	AA	A1+	91	1,134
Bank Al-Habib Limited	AA+	A1+	15,176	5,169
Askari Commercial Bank Limited	AA+	A1+	1,507	1,526
Dubai Islamic Bank Limited	AA-	A-1	190	168
Samba Bank Limited	AA	A-1	322	1,059
Bank of Khyber	A-1+	A-1	-	83
			128,144	136,310

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 balance sheet date there were no significant past due or impaired financial assets. However besides financial instruments as stated above;

(a) As at the balance sheet date amounts of Rs. 41,096 million (2016:41.096 million) receivable from growers,suppliers and contractors were past due against which impairment allowance have been made. The aging of the past due financial assets is as under,

2 year to 3 years	41,096	41,096
-------------------	---------------	--------

(b) The company has also made provision of Rs.49.779 million in respect of Export freight subsidy due to uncertainties regarding the recoverability.

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;

	Less than 3 months	3 to 12 months	1 to 5 years	Total
(Rupees in thousand)				
Year ended 30 September 2017				
Long term financing	-	278,472	2,198,959	2,477,431
Trade and other payables	558,150	436,577	-	994,727
Accrued finance cost	73,198	-	-	73,198
Short-term borrowings	-	2,690,155	-	2,690,155
	631,348	3,405,204	2,198,959	6,235,511
Year ended 30 September 2016				
Long term financing	-	440,406	1,607,704	2,048,110
Trade and other payables	75,175	444,362	-	519,537
Accrued finance cost	47,536	-	-	47,536
Short-term borrowings	-	691,100	-	691,100
	122,711	1,575,868	1,607,704	3,306,283

The Company manages liquidity risk by maintaining sufficient cash and ensuring the fund availability through adequate credit facilities. At September 30, 2017 the Company has PKR 2,535 million (2016: PKR 4,284 million) available unutilized short term borrowing limit from financial institutions and also has PKR 129.209 million (2016: PKR 136.892 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.

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 balance sheet date the interest / markup rate profile of the Company's mark up/interest bearing financial instruments is:

Financial Liabilities	Effective interest rates	Carrying Values	
	2017 Note number	2017	2016
--- Rupees in thousand ---			
<u>Variable Rate Instruments</u>			
Long Term Financing	18	2,477,431	2,048,110
Murabaha / Istisna	20.2	499,565	-
WPPF	20.3	-	11,130
Short term Borrowings	22	2,690,155	691,100
Less: Balances in saving bank account		(66,727)	(37,409)
		5,600,424	2,712,931

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 balance sheet 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. 56.004 million (2016: 27.130 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.

Interest rate risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market interest rates. The Company's major interest rate exposure arises from long term financings, short term borrowings and payables. The Company analyses its mark up/interest rate exposure on a regular basis by monitoring mark-up/interest rate trends and taking appropriate actions. As at the balance sheet date the interest / mark-up rate profile of the Company's mark up/interest bearing financial instruments is:

	2017		2016	
	in thousands		Rupees in thousands	
Balance Sheet Exposure				
Foreign debtors	\$	1,165	-	
				122,806
Off Balance Sheet Exposure				
Commitments				
US Dollars	\$	1,503	\$ 1,185	158,543
EUROS	€	599	€ 212	24,895
SWISS FRANC	CHF	-	CHF 70	7,631
Pound	GBP	-	CHF 17	2,476
				232,963
				159,088

The following significant exchange rate has been applied:

	2017	2016
Rupee per USD		
Average rate	105.10	104.88
Reporting date rate	105.45	104.75
Rupee per EURO		
Average rate	120.88	118.25
Reporting date rate	124.27	117.49
Rupee per CHF		
Average rate		108.21
Reporting date rate		108.41
Rupee per GBP		
Average rate		147.08
Reporting date rate		135.85

Sensitivity analysis

A 10 percent strengthening / weakening of the pkr against USD at 30 Sept would have decreased / increased profit before tax by the amount of Rs. 12,280 million in respect of on foreign currency balances. The effect of off Balance Sheet date items would have been Rs.23.296 million (2016: Rs.15.909 million). This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2016.

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 2016 the Company's strategy was to maintain leveraged gearing. The gearing ratios as at September 30, 2017 and 2016 were as follows:

	2017 (Rupees in thousand)	2016 (Rupees in thousand)
Total borrowings	5,667,151	2,739,210
Less: Cash and bank balances	(129,209)	(136,892)
Total equity	5,537,942	2,602,318
Total equity and debt	7,074,966	4,198,088
Gearing ratio (%)	78.28%	61.99%

40 FAIR VALUES / MEASUREMENT

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

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

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the management recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

Management assessed that the fair values of cash & cash equivalent and 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 and equipment) 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 and office equipment

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.

41 PROVIDENT FUND RELATED DISCLOSURES

The following information based on latest financial statements of the fund:

	2017	2016
	(Rupees in thousand)	
	Un-audited	Audited
Size of the fund - Total assets	135,079	126,149
Cost of investments made	132,096	122,686
Percentage of investments made	97.79%	97.25%
Fair value of investments	132,096	122,686

41.1 The break-up of fair value of investment is:

	2017		2016	
	Rs. 000s %	Rs. 000s %
	Un-audited		Audited	
Meezan Amdan Certificate	128,600	97.35%	122,100	99.52%
Saving accounts with banks	3,496	2.65%	586	0.48%
	132,096	100.00%	122,686	100.00%

41.2 The investment out of provident fund have been made in accordance with the provisions of Section 227 of the repealed Companies Ordinance, 1984 and rules formulated for this purpose.

42 NUMBER OF EMPLOYEES

No of persons employed as on year end were 754 (2016:751) and average number of employee during the year were 829 (2016:823).

43 EVENTS AFTER BALANCE SHEET DATE

43.1 Subsequent to the year ended September 30, 2017, the Board of Directors has proposed a final cash dividend of Rs. NIL (2016: Rs.81.895 million at 40% i.e. Rs.4.00 per share of Rs. 10 each) in their meeting held on 28th December 2017 subject to the approval of the members at the Annual General meeting scheduled to be held 25th January 2018.

44 DATE OF AUTHORIZATION

These financial statements were authorized for issue in the Board of Directors meeting held on 28th December 2017.

45 GENERAL

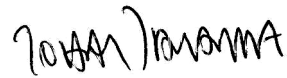
45.1 Amounts have been rounded off to the nearest thousand rupee unless otherwise stated.



ISMAIL H. ZAKARIA
Chief Executive Officer



SULEMAN AYOOB
Director



Zohair Zakaria
Chief Finance Officer

**PATTERN OF HOLDING OF THE SHARES HELD
BY THE SHAREHOLDERS AS ON 30-09-2017**

NO. OF SHAREHOLDERS	SHARE HOLDINGS			TOTAL SHARES HELD
462	1	TO	100	12,023
395	101	TO	500	117,263
122	501	TO	1000	95,149
152	1001	TO	5000	372,853
34	5001	TO	10000	240,489
6	10001	TO	15000	75,451
7	15001	TO	20000	125,741
5	20001	TO	25000	109,103
5	25001	TO	30000	140,826
3	30001	TO	35000	93,288
1	35001	TO	40000	36,000
2	45001	TO	50000	99,678
1	50001	TO	55000	52,758
2	55001	TO	60000	119,500
5	60001	TO	65000	313,720
2	65001	TO	70000	134,803
1	70001	TO	75000	74,538
2	85001	TO	90000	174,374
2	90001	TO	95000	185,308
1	95001	TO	100000	98,387
2	100001	TO	105000	202,981
1	110001	TO	115000	110,775
1	120001	TO	125000	121,039
1	125001	TO	130000	128,933
1	145001	TO	150000	146,500
1	150001	TO	155000	152,170
1	155001	TO	160000	156,940
1	165001	TO	170000	166,976
3	185001	TO	190000	560,330
1	190001	TO	195000	191,165
3	205001	TO	210000	623,313
2	220001	TO	225000	442,176
1	240001	TO	245000	241,147
1	245001	TO	250000	249,692
2	280001	TO	285000	560,589
1	290001	TO	295000	293,459
1	300001	TO	305000	304,117
1	320001	TO	325000	323,394
1	370001	TO	375000	371,032
1	390001	TO	395000	391,648
1	400001	TO	405000	402,483
1	405001	TO	410000	405,725
1	415001	TO	420000	419,227
1	460001	TO	465000	464,191
1	465001	TO	470000	469,637
1	565001	TO	570000	566,416
1	580001	TO	585000	582,098
1	595001	TO	600000	600,000
1	740001	TO	745000	742,000
1	775001	TO	780000	775,750
1	850001	TO	855000	853,375
1	905001	TO	910000	908,610
1	1095001	TO	1100000	1,100,000
1	1875001	TO	1880000	1,875,675
1	1895001	TO	1900000	1,898,887
1252				20,473,702

CATAGORIES OF SHAREHOLDING AS ON 30-09-2017

SR. NO.	CATEGORIES OF SHARE HOLDERS	NUMBER OF SHARE HOLDERS	SHARES HELD	PERCENTAGE %
1	INDIVIDUALS	1218	14,668,653	71.65
2	INSURANCE COMPANIES	1	566,416	2.77
3	JOINT STOCK COMPANIES	19	2,750,279	13.43
4	MUTUAL FUND	1	1,898,887	9.27
5	FINANCIAL INSTITUTIONS	6	94,030	0.46
6	MODARABAS	1	110,775	0.54
7	OTHERS	6	384,662	1.88
	TOTAL:-	1252	20,473,702	100.00

CATEGORIES OF SHARE HOLDING AS AT SEPTEMBER 30, 2017

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
NBP, NIT & ICP			
INVESTMENT CORPORATION OF PAKISTAN	1	208	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			
MRS. MUNIRA ANJUM (W/O YUSUF AYOOB)	1	402,483	1.97
MR. MUHAMMAD SULEMAN AYOOB	1	323,394	1.58
MR. MUHAMMAD YUSUF AYOOB	1	371,032	1.81
MR. ABDUL AZIZ AYOOB	1	121,039	0.59
MRS. MEHRUNNISA A. AZIZ (W/O A. AZIZ AYOOB)	1	208,218	1.02
MRS. ZARINA ISMAIL ZAKARIA (W/O ISMAIL H. ZAKARIA)	1	191,165	0.93
MR. ZIA ZAKARIA	1	464,191	2.27
MR. ZOHAIK ZAKARIA	1	304,117	1.49
MRS. SURAIYA SULEMAN (W/O SULEMAN AYOOB)	1	60,070	0.29
MR. MOHAMMAD SALIM SULEMAN	1	92,811	0.45
MR. ISMAIL H. ZAKARIA	1	469,637	2.29
MR. NOOR MOHAMMAD ZAKARIA	1	207,547	1.01
MR. SHEHNAZ SATTAR ZAKARIA (W/O NOOR MOHAMMAD)	1	207,548	1.01
MRS. ADIBA SALIM (W/O SALIM SULEMAN)	1	74,538	0.36
MR. SHAMIM AHMAD	1	1,000	0.00
PUBLIC SECTOR COMPANIES AND CORP.	1	566,416	2.77
BANK, DEVELOPMENT FINANCE INSTITUTIONS, NON BANKING FINANCE COMPANIES INSURANCE COMPANIES, MODARABAS, LEASING, TAKAFUL AND PENSION FUND	2	60,110	0.29
JOINT STOCK COMPANIES	18	874,604	4.27
OTHERS	4	156,458	0.76
INDIVIDUALS	1203	11,169,863	54.56
TOTAL:-	1,252	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
SAMIA ZAKARIA	---	1,100,000

Details of trading in the shares by the Directors, Executives 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:

	BUY / Gift Received No. of Shares	SELL Gift Given No. of Shares
Mr. Zia Zakaria	270,403	-----

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





 **Jama
Punji**
سرمایہ کاری سمجھداری کے ساتھ










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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 48th Annual General Meeting of the Company to be held on the 25th day of January two
thousand and eighteen at 3.00 a.m. at Company's Registered Office 96-A, Sindhi Muslim Housing Society, Karachi and at
any adjournment thereof :

Signed this day of 2018

WITNESSES:

1. Signature
Name:
Address
NIC or
Passport No.



2. Signature
Name:
Address
NIC or
Passport No.

Signature of Member(s)

NOTE:

Proxies in order to be effective, must be received by the Company not less than 48 hours before the meeting. A proxy need be a member of the Company.

CDC Shareholders and their Proxies are requested to attach an attested photocopy of their Computerized National Identity Card or Passport with this proxy form before submission to the Company.

پراکسی فارم

میں / ہم _____ ساکن _____
النور شوگر ملز لمیٹڈ _____
کے رکن و حامل _____ عام حصص برطابق شیئر رجسٹرڈ فولیو نمبر _____
اور یا سی ڈی سی کے شراکتی آئی ڈی نمبر _____ اور ڈیلی کھاتہ نمبر _____
بذریعہ ہذا۔ _____ ساکن _____ یا بصورت دیگر _____
ساکن _____ جو کہ خود بھی ایک ممبر ہے کو اپنی / ہماری غیر موجودگی میں کمپنی کے
48 واں سالانہ اجلاس عام مورخہ 25 جنوری 2018 بوقت 3:00 بجے بمقام رجسٹرڈ آفس 96۔ اے سندھی مسلم ہاؤسنگ سوسائٹی کراچی میں منعقد یا ملتوی
ہونے والے میں رائے دہندگی کیلئے اپنا نمائندہ مقرر کرتا / کرتی ہوں۔

دستخط شدہ بتاریخ _____ بروز _____ 2018.

برائے کرم پانچ روپے
مالیت کے ریونیو ٹکٹ
چسپاں کریں۔

گواہان:

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 چاہئے)

کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر _____

نوٹ: پراکسی کے موثر ہونے کیلئے لازم ہے کہ وہ اجلاس سے 48 گھنٹہ قبل کمپنی کو موصول ہوں۔ نیا برت دار کمپنی کارکن ہونا ضروری ہے۔
CDC کے حصص یافتگان اور ان کے نمائندوں سے التماس ہے کہ وہ اپنے کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ کاپی پراکسی
فارم کے ساتھ کمپنی میں جمع کرائیں۔



AL-NOOR SUGAR MILLS LTD.

96-A, Sindhi Muslim

Society, Karachi-74400

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