

# ANNUAL REPORT AND ACCOUNTS 2016



**DATA AGRO LIMITED**



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## COMPANY INFORMATION

<b>Chief Executive:</b>	Mr. Faaiz Rahim Khan
<b>Directors:</b>	Mr. Asad Rahim Khan Mr. Hamid Jamshed Mr. Muhammad Ayub Khan Mr. Asif Rahim Khan Mr. Anwar-ul-Haq Mrs. Badar Hussain
<b>Company Secretary:</b>	Mr. Suhail Mehmood
<b>Audit Committee:</b>	Mr. Hamid Jamshed (Chairman) Mr. Asad Rahim Khan (Member) Mrs. Badar Hussain (Member)
<b>HR Committee:</b>	Mr. Hamid Jamshed (Chairman) Mr. Muhammad Ayub Khan (Member) Mrs. Badar Hussain (Member) Mr. Asad Rahim Khan (Member)
<b>Auditors:</b>	M/s. Razaqat Mansha Mohsin Dossani Masoom & Co. Chartered Accountants 3rd Floor, Sharjah Centre, 62-Shadman Market, Lahore.
<b>Bankers:</b>	Habib Bank Limited Allied Bank Limited The Bank of Punjab MCB Bank Limited
<b>Legal Advisor:</b>	Ashtar Ali & Co. Advocates and Corporate Consultants
<b>Share Registrar:</b>	Hameed Majeed Associates (Pvt.) Ltd. H.M. House, 7-Bank Square, Lahore
<b>Registered Office:</b>	71/E-1, Hali Road, Gulberg-III, Lahore.

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 24rd Annual General Meeting of Shareholders of Data Agro Limited will be held on Monday October 31, 2016 at 11:30 A.M. at the Registered Office of the Company, 71/E-1, Hali Road, Gulberg-III, Lahore. to transact the following business.

1. To confirm the minutes of 23rd Annual General Meeting held on October 31, 2015.
2. To receive and adopt the Audited Accounts of the Company along with Directors and Auditors reports thereon, for the year ended June 30, 2016.
3. To appoint Auditors of the company for the year ended June 30, 2017 and to fix their remuneration. The retiring Auditors M/s Razaqat Mansha Mohsin Dossani Masoom & Co. Chartered Accountants, being eligible has offered themselves for reappointment.
4. Any other business with the permission of the chair.

Lahore  
October 08, 2016.

BY ORDER OF THE BOARD  
(SUHAIL MEHMOOD)  
Company Secretary

The share transfer books of the company will remain closed from October 24, 2016 to October 31, 2016 (both days inclusive).

A member entitled to attend and vote at the above meeting may appoint another as proxy. Proxies in order to be effective must be received at the Registered Office of the Company not later than forty eight hours before the time of meeting and must be duly stamped, signed and witnessed.

Members are requested to notify the Company of the any change in their addressed, if any to the Company's Share Registrar M/s Hameed Majeed Associates (Pvt.) Ltd at H.M House 7-Bank Square, Lahore.

SECP through its Notification SRO 787 (I)/2014 dated September 8, 2014 has allowed the circulation of Audited Financial Statements along with Notice of Annual General Meeting to the members of the Company through e-mail. Therefore, all members of the Company who which to receive soft copy of Annual Reports are requested to send their e-mail address. The consent form for electronic transmission could be downloaded from the Company's website: [www.dataagrolimited.com](http://www.dataagrolimited.com).

The Company shall, however, provide hard copy of the Audited Financial Statement to its shareholders, on request, free of cost, within seven days of receipt of such request. Attested copies of CNIC and passport of the beneficial owner and the proxy shall be furnished with the proxy form.

In case of corporate entity, the board of Directors resolution /power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the company.

The proxy shall produce his original CNIC or original passport at the time of the meeting.

**For Attending the Meeting:**

- 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 authenticate his identity by showing his original national identity card 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 provided earlier) at the time of the meeting.

**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 above requirement.
- ii. Two persons whose names, addresses and NIC number shall be mentioned on the proxy form to witness the same.
- iii. Attested copies of NIC or the passport of the beneficial owner and the proxy shall be furnished with the proxy form.
- iv. The proxy shall produce his original NIC or original passport at the time of the meeting.

In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the company.

## DIRECTOR'S REPORT

The Directors of your Company are please to present the 24th annual report along with the audited accounts for the year ended June 30, 2016.

### Performance Review

The company has processed seeds of Cotton and Wheat and produced Hybrid Corn. We are actively involved in changing the focus of the company to Hybrid Corn production. We faced the downward effect of the cotton crop in general and cotton seed in specific as growers were reluctant to cultivate cotton. Therefore results show a decrease in third party cotton seed processing which is 1,283 Metric Tons (2015: 2,005 Metric Tons)

	<b>2016</b> (M.Ton)	<b>2015</b> (M.Ton)
Production	<u>320</u>	<u>161</u>

### Financial Results

The summary of financial results is being furnished hereunder for a quick glance.

	<b>2016</b> (Rupees)	<b>2015</b> (Rupees)
Sales	83,232,427	71,368,446
Cost of sales	61,565,184	60,186,814
Gross profit	21,667,243	11,181,632
Operating expenses	20,687,692	9,382,705
Operating Profit	979,551	1,798,927
Finance & other charges	852,570	722,622
Other income	3,937,610	81,050
Profit / (loss) before taxation	4,064,291	1,157,355
Taxation	8,654,350	1,879,412
Profit/ (loss) after taxation	(4,590,059)	(722,057)
<b>Total comprehensive income/(loss) for the year</b>	<b>(2,452,902)</b>	<b>(613,880)</b>

Review period has been a good one from the company's point of view. Financials show an increase in sales and substantial decrease in cost of sale. The main reason for this change being the efforts and involvement of our professional staff and management. Our new Hybrids produced good results and reports from market and farmers are positive. We hope sales of these seeds will increase further.

We continue to invest heavily in R&D of Hybrid Corn and other seeds. This has lowered profit margins but we consider it a worthwhile investment. We are hopeful the coming quarter will produce favorable results from Hybrid Corn sales. Yield results should be according to our expectations. Our sale of cotton seed in both fuzzy and delinted form has maintained high standards of quality.

The management has done extremely well in controlling administrative costs. Distribution has been made more effective while maintaining strict financial checks. The company meets all Prudential Regulations/Ratios of State Bank of Pakistan. We have the option of raising funds from banks but as a policy are not taking any loans.

### Corporate Governance

Please note that your company is fully complaint to the provisions of the Code of Corporate Governance as incorporated in Listing Rules of the stock Exchange;

The following are statements on corporate and financial reporting frame work;

1. The financial statement, prepared by the management of the company, present fairly its state of Affairs, the result of its operations, cash flows and changes in equity.
2. Proper books of accounts have been maintained by the company.
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 accounting Standards, as applicable in Pakistan have been followed in preparation of financial statements.
5. The system of internal control is sound and is continuously reviewed by internal audit and other such procedures. The process of review will continue with the objective to improve further.
6. The company has followed the best practices of Corporate Governance, as detailed in the listing regulations wherever possible.
7. There are no doubts upon the company's ability to continue as a going concern.
8. The company has not declared any dividend. The company has planned to invest and utilize available funds to get better results and profit.

### **Audit Committee**

The board has constituted an audit committee, consisting of three non-executive directors and its chairman is an independent director.

### **HR Committee**

The board has constituted a HR committee, consisting of 4 non-executive directors and its chairman is an independent director.

### **Key Operating and Financial Data**

A statement summarizing key operating and financial data for six years including current year is annexed.

### **Vision/Mission**

The statement reflecting the Vision/Mission of the company is annexed.

### **Ethics and Business Practices**

The statement outlining the Ethics and Business Practices of the company is annexed.

### **Board Meeting**

During the financial year under consideration six meetings were held and the attendance by respective directors was as follows:

<b>Name of Directors</b>	<b>Number of Board Meetings Attended</b>	<b>Leave Granted</b>
Mr. Faaiz Rahim Khan	6	-
Mr. Asif Rahim Khan	4	2
Mr. Hamid Jamshed	5	1
Mr. Muhammad Ayub Khan	4	2
Mrs. Badar Hussain	4	2
Mr. Anwar-ul-Haq	6	-
Mr. Asad Rahim Khan	5	1

### **4. Pattern of Shareholdings**

The pattern of Shareholdings is on page No.35.

### **Future Outlook**

In future we shall concentrate on Hybrid Corn seed but will also make efforts to make our range of seeds comprehensive. In the coming year we shall invest in varieties of cotton seed and wheat and plan to enter in the vegetable seeds market. This will increase our capacity utilization further while maintaining our high standards of quality.

### **Auditors**

The present Auditors M/S. Rafaqat, Mansha, Mohsin, Dossani, Masoom & Company, Chartered Accountants, retired and being eligible, offer themselves for re-appointment for the year ending June 30, 2017.

### **Acknowledgment**

I want to thank our employees, customers, and suppliers for their continued support and faith in the company. All our shareholders must closely examine the results and see that we are making progress in the right direction. I would like to express our gratitude to our shareholders for support and encouragement.

**LAHORE**  
**October 08, 2016**

**FAAIZ RAHIM KHAN**  
**Chief Executive**

## **VISION/MISSION STATEMENT**

### **a. Vision Statement**

Our Vision is;

- \* A leading producer of agro products (seeds, chemicals) by providing the highest quality of products and services to its customers/growers by making an efficient use of the sciences of modern genetics, biotechnology and plant nutrition.
- \* To strive for excellence through commitment , integrity, honesty and team work.
- \* Highly ethical company and be respected corporate citizen to continue playing due role in the social and environmental sectors of the country.
- \* To develop an extremely motivated and professional trained work force, which would drive growth through innovation and renovation.
- \* Sustained growth in earning in real terms.

### **b. Mission Statement**

- \* Our mission is to be dynamic, profitable and growth oriented company by providing good return on investment to its shareholders and investors, quality products to its customers/growers and a secure and friendly environment place of work to its employees and to project Paksitan's image in the National and International agro Market.



**STATEMENT OF COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE  
Year ending June 30, 2016.**

This statement is being presented to comply with the Code of Corporate Governance contained in Regulation No. 5.19 of Rule Book of Pakistan Stock Exchange Ltd. 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:

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

<b>Category</b>	<b>Names</b>
Independent Directors	Mr. Hamid Jamshed
Executive Directors	Mr. Faaiz Rahim Khan Mr. Anwar Ul Haq
Non-Executive Directors	Mr. Asif Rahim Khan Mr. M. Ayub Khan Mr. Asad Rahim Khan Mrs. Badar Hussain

1. The independent directors meets the criteria of independence under clause i (b) of the CCG.
2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBF1 or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. No casual vacancy occurred on the board during the period.
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 executive 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 at least once in every quarter. Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The board is making arrangements for the training of directors in next coming year.
10. The Board has approved the appointment of CFO, Company Secretary and Head of internal Audit including their remuneration and terms & conditions of employment.
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 the CCG.
15. The board has formed an Audit Committee. It comprises 3 members, of whom 2 are non-executive directors and the chairman of the committee is an independent director.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and 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 an HR and Remuneration Committee. It comprises 4 members, of whom 3 are non-executive directors and the chairman of the committee is an independent director.
18. The board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
19. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, 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 code of ethics as adopted by the ICAP.
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 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange(s).
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).
23. We confirm that all other material principles enshrined in the CCG have been complied with [2] except for the following, toward which reasonable progress is being made by the company to seek compliance by the end of next accounting year.

## **STATEMENT OF ETHICS AND BUSINESS PRACTICES**

Data Agro Limited was established with an aim of producing quality delinted cotton seed for its customers. The following core values have been incorporated in our system to promote ethical business practices while producing quality products.

### **THE QUALITY OF PRODUCT**

We strive to produce the best quality delinted cotton seed for our customers. We continuously update ourselves with technological advancements in cotton seed delinting technology and strive to implement these changes in our company. We maintain all relevant technical and professional standards to be compatible with the requirements of the trade.

### **EMPLOYEES**

Recruitment of personnel on merit offering training and career development, equal opportunities of growth, no discrimination or harassment and reward for achievements. Improved working conditions, ensuring safety and health. Terminal benefits as per policy on retirement or redundancy.

Employees shall not use company information and assets for their personal advantage. Conflict of interest shall be avoided and disclosed where it exists and guidance sought.

### **CUSTOMER RELATION**

Ensure customer satisfaction by providing quality products at competitive prices and ensuring after sale service and advice. Prompt, efficient attention to complaints is integral to our client care commitment.

### **SHARE HOLDERS, FINANCIAL INSTITUTIONS & CREDITORS**

Protection of investment made in the company. We focus on maximizing long term share holder's value through strong financial performance and returns, disciplined and profitable expansion. A commitment to accurate and timely communication on achievements and prospects.

### **SUPPLIERS**

Prompt settling of bills, co-operation to achieve quality and efficiency, no bribery or excess hospitality accepted or given.

### **SOCIETY/COMMUNITY**

Compliance with the spirit of laws. Timely payment of all Government taxes and dues. Eliminate the release of substance that may cause environmental damage. Financial assistance for promoting education and social activities including games and donations charity to deserving.

### **GENERAL**

The company shall neither support any political party nor contribute funds to groups or associations whose activities promote political interest through trade association.

### **IMPLEMENTATION**

Company board to ensure implementation of these codes, regular monitoring, review for modification / amendment where necessary.

**KEY OPERATING AND FINANCIAL DATA FOR THE LAST SIX YEARS**
**BALANCE SHEET**

	2016	2015	2014	2013	2012	2011
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Capital & Liabilities						
Share Capital & Reserves						
Authorised Capital						
5,000,000 Ordinary Shares of Rs. 10 each	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
<b>Issued, Subscribed and Paidup capital</b>						
4,000,000 ordinary shares of Rs. 10 each fully paid in cash	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000
Accumulated (Losses)	(17,471,406)	(15,947,685)	(18,146,479)	(24,866,686)	(15,093,664)	(9,541,051)
	22,528,594	24,052,315	21,853,521	15,133,314	24,906,336	30,458,949
Surplus on Revaluation of Property, Plant and Equipment	66,211,071	34,017,751	36,830,425	39,955,618	43,785,090	20,417,401
<b>NON-CURRENT LIABILITIES</b>						
Long Term Finance	-	-	-	40,378,943	40,378,943	40,378,943
Liabilities against assets subject to finance lease	-	-	-	244,724	701,090	762,113
Deferred liabilities	24,990,637	18,349,148	17,549,305	20,108,480	18,576,437	10,581,866
<b>CURRENT LIABILITIES</b>						
Short term borrowings	26,378,943	27,878,943	32,378,943	-	-	-
Trade and other payables	9,532,861	12,535,271	13,155,462	7,996,221	6,323,189	5,422,515
Current maturity of long term liabilities	-	-	244,724	451,113	836,583	496,753
Provision for taxation	2,860,351	1,381,027	1,327,624	946,548	1,415,565	1,003,038
	38,772,155	41,795,242	47,106,753	9,393,883	8,575,337	6,922,306
	<b>152,502,457</b>	<b>118,214,456</b>	<b>123,340,004</b>	<b>125,214,962</b>	<b>136,923,233</b>	<b>109,521,578</b>
<b>NON CURRENT ASSETS</b>						
Property, plant & equipment	87,581,255	59,300,218	64,435,279	70,853,899	78,172,011	49,987,978
<b>CURRENT ASSETS</b>						
Stores, spares & loose tools	2,921,558	3,167,979	2,759,544	5,510,576	2,499,696	2,374,286
Stocks in trade	13,715,779	17,256,540	19,485,429	12,935,552	19,115,889	24,256,349
Trade debts	30,819,081	27,145,995	18,387,392	22,139,643	22,119,915	16,530,056
Loans, advances, deposits and prepayments, tax refund	6,846,660	5,074,956	6,368,593	8,220,527	10,162,798	8,834,061
Trade deposits and short term prepayments	2,594,738	2,704,031	4,296,586	2,943,127	1,961,274	4,498,005
Cash & bank balances	8,023,386	3,564,737	7,141,622	2,611,638	2,891,650	3,040,843
	64,921,202	58,914,238	58,904,725	54,361,063	58,751,222	59,533,600
	<b>152,502,457</b>	<b>118,214,456</b>	<b>123,340,004</b>	<b>125,214,962</b>	<b>136,923,233</b>	<b>109,521,578</b>

**PROFIT AND LOSS ACCOUNT**

	2016 Rupees	2015 Rupees	2014 Rupees	2013 Rupees	2012 Rupees	2011 Rupees
Turnover	83,232,427	71,368,446	66,028,119	55,841,057	74,822,218	70,896,526
Cost of sales	61,565,184	60,186,814	54,850,083	60,311,639	68,076,466	59,706,325
<b>Gross profit</b>	<b>21,667,243</b>	<b>11,181,632</b>	<b>11,178,037</b>	<b>(4,470,582)</b>	<b>6,745,752</b>	<b>11,190,201</b>
<b>Operating Expenses</b>						
Administrative & general expenses	9,414,221	6,078,428	6,200,118	5,402,443	8,733,439	7,198,120
Selling & distribution expenses	11,273,471	3,304,277	3,628,250	3,543,116	3,765,601	4,812,724
	20,687,692	9,382,705	9,828,368	8,945,559	12,499,040	12,010,844
<b>Operating profit/ (loss)</b>	<b>979,551</b>	<b>1,798,927</b>	<b>1,349,668</b>	<b>(13,416,141)</b>	<b>(5,753,289)</b>	<b>(820,643)</b>
Finance cost	852,870	722,622	597,684	632,281	540,551	624,438
Other income	3,937,610	81,050	276,481	581,047	-	620,825
<b>Profit / (loss) before taxation</b>	<b>4,064,291</b>	<b>1,157,356</b>	<b>1,028,465</b>	<b>(14,048,422)</b>	<b>(6,293,840)</b>	<b>(824,256)</b>
Taxation	8,654,350	1,879,412	(2,479,644)	1,908,425	1,434,534	(911,738)
<b>Profit/(loss) for the year after taxation</b>	<b>(4,590,059)</b>	<b>(722,057)</b>	<b>3,508,109</b>	<b>(15,375,800)</b>	<b>(7,728,373)</b>	<b>87,482</b>
<b>Unappropriated profit/(loss) brought forward</b>	<b>(15,947,685)</b>	<b>(18,146,479)</b>	<b>(24,866,686)</b>	<b>(15,093,664)</b>	<b>(9,541,051)</b>	<b>(11,798,618)</b>
	(20,537,744)	(18,868,536)	(21,358,577)	(30,469,464)	(17,269,424)	(11,711,136)
Total comprehensive income/(loss) for the year	2,137,157	108,177	(80,896)	-	-	-
Transfer from surplus on revaluation of fixed assets	929,181	2,812,674	3,292,994	5,602,778	2,175,760	2,170,085
<b>Accumulated losses transferred to balance sheet</b>	<b>(17,471,406)</b>	<b>(15,947,685)</b>	<b>(18,146,479)</b>	<b>(24,866,686)</b>	<b>(15,093,664)</b>	<b>(9,541,051)</b>

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

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of **Data Agro Limited ("the Company")** to comply with the Listing Regulation No. 35 of the Karachi, Lahore and Islamabad Stock Exchanges.

The responsibility for compliance with the Code of Corporate Governance 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 of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the Company 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 have not carried out any special review of the internal control system to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls. the Company's corporate governance procedures and risks.

Further, Sub- Regulation (Xiii) of Listing Regulation No. 35 (previously Regulation No. 37) notified by The Karachi Stock Exchange (Guarantee) Limited vide circular KSE/N-269 dated 19 January 2009 requires the Company to place before the Board of Directors for their consideration and approval 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 recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the audit committee.

We are only required and have ensured compliance of requirements to the extent of approval of related party transactions by the Board of Directors and placement of such transactions before the audit committee. We have not carried out any procedures to determine whether the related party transactions were under taken at arm's length price.

Based on our review nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflects the Company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the Company for the year ended June 30, 2016.

**Date: October 08, 2016**  
**Place: Lahore**

**RAFAQAT MANSHA MOHSIN DOSSANI MASOOM & CO.**  
**CHARTERED ACCOUNTANTS**  
**Engagement Partner: Mohsin Nadeem (FCA)**

## **AUDITOR'S REPORT TO THE MEMBERS**

We have audited the annexed balance sheet of DATA AGRO LIMITED as at June 30, 2016 and the related profit and loss account, statement of comprehensive income, statement of changes in equity and cash flow statement 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 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 a 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 accounts have been kept by the Company as required by the 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 Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with 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, balance sheet, profit and loss account, statement of comprehensive income, statement of changes in equity and cash flow statement together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and give the information required by the 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 June 30, 2016 and of the loss, its changes in equity and cash flows for the year then ended; and

in our opinion, no Zakat was deductible at source under the Zakat and Usher Ordinance, 1980.

**Date: October 08, 2016**  
**Place: Lahore.**

**RAFAQAT MANSHA MOHSIN DOSSANI MASOOM & CO.**  
**CHARTERED ACCOUNTANTS**  
**Engagement Partner: Mohsin Nadeem (FCA)**

**BALANCE SHEET AS**

**EQUITY AND LIABILITIES**

	Notes	2016 Rupees	2015 Rupees
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital	4	40,000,000	40,000,000
Revenue reserves		<u>(17,471,406)</u>	<u>(15,947,685)</u>
		22,528,594	24,052,315
<b>SURPLUS ON REVALUATION OF PROPERTY PLANT AND EQUIPMENT-Net of Tax</b>	5	66,211,071	34,017,751
<b>NON - CURRENT LIABILITIES</b>			
Deferred liabilities	6	<u>24,990,637</u>	<u>18,349,148</u>
		24,990,637	18,349,148
<b>CURRENT LIABILITIES</b>			
Short term borrowings	7	<u>26,378,943</u>	<u>27,878,943</u>
Trade and other payables	8	9,532,861	12,535,271
Provision for taxation	9	<u>2,860,351</u>	<u>1,381,027</u>
		38,772,155	41,795,242
<b>CONTINGENCIES AND COMMITMENTS</b>	10	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>152,502,457</b></u>	<u><b>118,214,456</b></u>

*The annexed notes from 1 to 32 form an integral part of these financial statements.*

**(FAAIZ RAHIM KHAN)**  
Chief Executive

**(ASIF RAHIM KHAN)**  
Director

**AT JUNE 30, 2016**

	Notes	2016 Rupees	2015 Rupees
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment	11	87,581,255	59,300,218
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools	12	2,921,558	3,167,979
Stock in trade	13	13,715,779	17,256,540
Trade debts - unsecured	14	30,819,081	27,145,995
Loans and advances - unsecured	15	6,381,101	4,609,397
Trade deposits and short term prepayments	16	2,594,738	2,704,031
Tax refunds due from the Government		465,559	465,559
Cash and bank balances	17	8,023,386	3,564,737
		64,921,202	58,914,238
<b>TOTAL ASSETS</b>		<b>152,502,457</b>	<b>118,214,456</b>

*The annexed notes from 1 to 32 form an integral part of these financial statements.*

**(FAAIZ RAHIM KHAN)**  
Chief Executive

**(ASIF RAHIM KHAN)**  
Director



**PROFIT & LOSS ACCOUNT  
FOR THE YEAR ENDED JUNE 30, 2016**

	Notes	2016 Rupees	2015 Rupees
Turnover	18	83,232,427	71,368,446
Cost of sales	19	<u>61,565,184</u>	<u>60,186,814</u>
<b>Gross profit</b>		<b>21,667,243</b>	<b>11,181,632</b>
Administrative expenses	20	9,414,221	6,078,428
Distribution cost	21	11,273,471	3,304,277
		<u>20,687,692</u>	<u>9,382,705</u>
<b>Operating profit / (loss)</b>		<b>979,551</b>	<b>1,798,927</b>
Finance cost	22	852,870	722,622
		126,681	1,076,306
Other income	23	3,937,610	81,050
<b>Profit / (loss) before taxation</b>		<b>4,064,291</b>	<b>1,157,356</b>
Taxation	24	8,654,350	1,879,412
<b>Profit / (loss) after taxation</b>		<b><u>(4,590,059)</u></b>	<b><u>(722,057)</u></b>
<b>Earning per share-Basic and diluted</b>	25	<b><u>(1.15)</u></b>	<b><u>(0.15)</u></b>

The appropriations from profits are set out in the statement of changes in equity.

*The annexed notes from 1 to 32 form an integral part of these financial statements.*

**(FAAIZ RAHIM KHAN)**  
Chief Executive

**(ASIF RAHIM KHAN)**  
Director

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2016**

	2016 Rupees	2015 Rupees
<b>PROFIT AFTER TAXATION</b>	(4,590,059)	(722,057)
<b>Other comprehensive income for the year</b>		
Items that may be reclassified subsequently to profit or loss:	-	-
Items that will not be subsequently reclassified to profit or loss:		
Remeasurement of retirement benefit	(93,387)	108,177
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	3,280,211	-
Related deferred tax	(1,049,668)	-
	<u>2,230,544</u>	<u>-</u>
<b>Total comprehensive Income for the year</b>	<u><u>(2,452,902)</u></u>	<u><u>(613,880)</u></u>

*The annexed notes from 1 to 32 form an integral part of these financial statements.*

**(FAAIZ RAHIM KHAN)**  
Chief Executive

**(ASIF RAHIM KHAN)**  
Director

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2016**

	Notes	2016 Rupees	2015 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit/(Loss) before tax		4,064,291	1,157,356
Adjustments for:			
Depreciation		6,082,901	5,868,101
Financial charges		852,870	722,622
Gain on disposal		(2,987,734)	-
Provision for gratuity		1,068,719	1,314,679
<b>Operating Profit/(loss) before working capital changes</b>		<b>9,081,047</b>	<b>9,062,757</b>
<b>Working capital changes</b>			
<b>(Increase ) / decrease in current assets</b>			
Stores, spares and loose tools		246,421	(408,435)
Stock in trade		3,540,761	2,228,889
Trade debts		(3,673,086)	(8,758,603)
Loan and advances		(1,232,672)	1,878,002
Trade deposits and short term prepayments		109,293	1,592,555
<b>Increase /(decrease) in current liabilities</b>		<b>(1,009,283)</b>	<b>(3,467,592)</b>
Trade and other payables		(3,668,264)	(1,152,890)
<b>Cash generated from/(utilized in) operations</b>		<b>4,403,500</b>	<b>4,442,275</b>
Financial charges paid		(187,016)	(189,922)
Gratuity paid		(981,960)	(1,571,688)
Income Tax paid		(1,252,716)	(779,586)
		(2,421,692)	(2,541,196)
<b>Net cash flow from/(utilized in) operating activities</b>	<b>A</b>	<b>1,981,808</b>	<b>1,901,079</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Fixed Capital expenditure		(144,786)	(733,040)
Proceed from sales of fixed assets		4,121,627	-
<b>Net cash flow from/(utilized in) investing activities</b>	<b>B</b>	<b>3,976,841</b>	<b>(733,040)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Short term borrowings		(1,500,000)	(4,500,000)
Lease liability		-	(244,724)
<b>Net cash flow from/(utilized in) financing activities</b>	<b>C</b>	<b>(1,500,000)</b>	<b>(4,744,724)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>A+B+C</b>	<b>4,458,649</b>	<b>(3,576,685)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>3,564,737</b>	<b>7,141,422</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>8,023,386</b>	<b>3,564,737</b>
<b>Cash &amp; cash equivalents are</b>			
Cash in hand		247,579	287,226
Cash at bank		7,775,807	3,277,511
		<b>8,023,386</b>	<b>3,564,737</b>

The annexed notes from 1 to 32 form an integral part of these financial statements.

**(FAAIZ RAHIM KHAN)**  
Chief Executive

**(ASIF RAHIM KHAN)**  
Director

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED JUNE 30, 2016**

<b>Description</b>	<b>Share Capital Rs.</b>	<b>Revenue Reserves Rs.</b>	<b>Total Rs.</b>
Balance as at June 30, 2014	40,000,000	(18,146,479)	21,853,521
Total Comprehensive Income for the year from July 01, 2014 to June 30, 2015	-	(613,880)	(613,880)
Surplus on revaluation of fixed assets Transferred from surplus on revaluation to unappropriated profit/(loss) due to incremental Surplus related to deferred tax:	-	2,812,674	2,812,674
Prior			
Current			
<b>Balance as at June 30, 2015</b>	<b>40,000,000</b>	<b>(15,947,685)</b>	<b>24,052,315</b>
Total Comprehensive Income for the year from July 01, 2015 to June 30, 2016	-	(4,683,446)	(4,683,446)
Surplus on derecognition on revaluation of fixed assets		929,181	-
Transferred from surplus on revaluation to unappropriated profit/(loss) due to incremental depreciation	-	2,230,544	2,230,544
Surplus related to deferred tax:			
Prior			
Current			
<b>Balance as at June 30, 2016</b>	<b>40,000,000</b>	<b>(17,471,406)</b>	<b>21,599,413</b>

*The annexed notes from 1 to 32 form an integral part of these financial statements.*

**(FAAIZ RAHIM KHAN)**  
Chief Executive

**(ASIF RAHIM KHAN)**  
Director

## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED JUNE 30, 2016

### 1. STATUS AND NATURE OF BUSINESS

The company was initially incorporated as a private limited company in Pakistan under the Companies Ordinance, 1984 on November 10, 1992 and was converted into a public limited company on March 06, 1994. The company is listed on Lahore and Karachi Stock Exchanges. The principal activity of the company is production, processing and grading of agro seeds. The registered office of the company is situated at 71/E-1, Hali Road, Lahore, Punjab, Pakistan and principal place of business is at 8-Km Khanewal road, Kabirwala.

### 2. BASIS OF PREPARATION

#### 2.1 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention without any adjustment for the effect of inflation or reference to current values, except to the extent that land, building and certain plant and machinery have been included at revalued amounts, staff retirement benefits recognized at present value and financial assets has been measured and recorded at fair value.

#### 2.2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan and the requirements of the Companies Ordinance, 1984. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) as notify under the provision of the Companies Ordinance, 1984. However, the requirements of the Companies Ordinance, 1984 or the requirements of the SECP directives shall take precedent or be followed where the requirements of these standards are in consistent with the requirements of the Companies Ordinance, 1984 or the requirements of directives issued by the Securities and Exchange Commission of Pakistan (SECP).

### 2.3 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Pakistan Rupees, which is the Company's functional and presented currency. All financial information presented in Pakistan Rupees has been rounded to the nearest rupees.

### 2.4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

### 2.5 INITIAL APPLICATION OF A STANDARD, AMENDMENT OR AN INTERPRETATION TO AN EXISTING STANDARD AND FORTHCOMING REQUIREMENTS.

#### Initial Application:

IAS1- Presentation of Financial Statements (Revised)	Effective for periods beginning on or after January 01, 2010
IAS7- Cash Flow Statement (Revised)	January 01, 2010
IAS17- Leases (Revised)	January 01, 2010
IAS 32- Financial Instruments (Amended)	January 01, 2010
IAS 36- Impairment of Assets	January 01, 2010
IAS 39- Financial Instruments: Recognition and Measurement (Amended)	January 01, 2010
IFRS 1- First Time Adoption of International Reporting Standards	January 01, 2010
IFRS 2- Share-based Payment (Amended)	January 01, 2010
IFRS 5- Non Current Held for Sale and Discontinued Operations	January 01, 2010
IFRS 8- Operating Segments	January 01, 2010

#### Forthcoming Requirements:

IAS1- Presentation of Financial Statements	July 01, 2012
IAS12- Income Taxes	January 01, 2012
IAS19- Employee Benefits	January 01, 2013
IAS24- Related Party Disclosures	January 01, 2011
IAS27- Consolidated and Separate Financial Statements	January 01, 2013
IAS28- Investments in Associates	January 01, 2013
IFRS 1- First Time Adoption of International Reporting Standards	July 01, 2011
IFRS 7- Financial Instruments Disclosures (Amendments)	July 01, 2011
IFRS 9- Financial Instruments - Classification and Measurement	January 01, 2013
IFRIC 14- The Limit on defined Benefit Asset, Minimum Funding Requirements and their Interaction	January 01, 2011

The Company expects that the adoption of the above standards and interpretations will not have any material impact on the Company's financial statements in the period of initial application except for certain changes and / or enhancements in the presentation and disclosure of financial statements.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**3.1 PROPERTY, PLANT AND EQUIPMENTS  
OWNED ASSETS**

Property, plant and equipment are stated at historical cost or revalued amount less accumulated depreciation and impairment in value.

Cost of property, plant and equipment consists of purchase price/ construction cost (after trade discount and rebates, refundable taxes/duties) and relevant directly attributable cost for bringing the property, plant and equipment into its intended use. Pre-production and trial run operating results are charged to income.

Depreciation is charged on diminishing balance method at the rates specified in Note 13. Full month's depreciation is charged on addition, while no depreciation is charged in the month of disposal of assets and also no depreciation is charged if the assets residual value exceeds its carrying value, or in the pre-operation period.

Surplus on revaluation of building, plant and equipment due to incremental depreciation is directly charged to unappropriated profit and loss in accordance with section 235(2) of the Companies Ordinance, 1984 read with SRO 45(1)/2003 dated January 13, 2003 issued by the Securities and Exchange Commission of Pakistan.

Residual values and useful lives are reviewed at each balance sheet date and adjusted if expectations differ significantly from previous estimates. The management estimates that the financial impact of changes in the residual values and the useful lives during the year ended June 30, 2015 is immaterial.

Residual values are determined by the management as the amount expects it would receive currently for an item of property, plant and equipment if it was already of the age and in the condition expected at the end of the life based on the prevailing market prices of the similar assets already at the end of its useful lives.

Normal repair & maintenance costs are charged to the profit and loss account in the year in which these are incurred. Major renewals, improvements, cost or expenditure incurred on the property, plant equipment subsequent to their initial reorganization is capitalized when it increases the future economic lives of the relevant assets and it is probable that future economic benefits embodied within the item of addition will flow to the company and its cost can be measured reliably.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

**LEASED ASSETS**

The leases, where all the risks and rewards incidental to ownership of the leased assets have been transferred to the company are classified as finance leases. Assets subject to finance lease are stated at the lower of present value of minimum lease payments under the lease agreements and the fair value of the leased assets less accumulated depreciation and accumulated impairment losses, if any.

The related rental obligations, net of finance charges, are included in liabilities against assets subject to finance leases. The liabilities are classified as current and long term depending upon the timing of the payment.

Each lease payment is allocated between the liability and finance charges so as to produce a constant periodic rate of interest on the balance outstanding. The interest element of the rental is charged to income over the lease term.

Assets acquired under a finance lease are depreciated over the useful life of assets on reducing balance method at the same rates that are applicable to the owned assets. Depreciation of lease assets is charged to profit and loss account.

Full depreciation on additions in leased assets is charged when an asset is acquired while no depreciation is charged in the year in which the asset is disposed off/ transferred to own assets.

**CAPITAL WORK IN PROGRESS**

Capital work in progress is stated at cost less any identifiable impairment loss and includes the expenditure on material, labour and appropriate overheads directly relating to the project. These costs are transferred to fixed assets as and when assets are available for intended use.

**3.2 INTANGIBLE ASSETS**

Intangible asset is an identifiable non-monetary item without physical substance.

Intangible assets are recognized when it is probable the expected future economic benefit will flow to the entity and the cost of the asset can be measured reliably.

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged over the estimated useful life of the asset on a systematic basis applying the straight line method.

Useful lives of intangible operating assets are reviewed, at each balance sheet date and adjusted if the impact of amortization is significant.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

### 3.3 IMPAIRMENT

The carrying amount of the company's assets are reviewed at each balance sheet date to determine whether there are any indications of impairment. If any such indication exist, the asset's recoverable amount is estimated and impairment losses are recognized in the profit and loss account. The recoverable amount is the higher of an assets fair value less costs to sell and value in use.

Where impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised recoverable amount but limited to the extent of initial cost of the asset. Reversal of impairment loss is recognized as income

### 3.4 STOCK, STORES AND SPARES

Inventories are valued at lower of cost and net realizable value as per requirements of IAS 2. Cost of major stock items is determined as follows;

- Stores, spares and loose tools	At moving average cost
- Raw material	At annual average cost
- Finished goods	Comprised of direct material, labour, and appropriate manufacturing overheads.
-Waste	At net realizable value.
-Material in transit	Are stated at invoice value plus other charges incurred thereon.

Net realizable value signifies the estimates selling price in the ordinary course of business less costs necessary to be incurred in order to make a sale.

### 3.5 LOANS AND ADVANCES

Loans and advances are recognized initially at cost and subsequently measured at amortized cost.

### 3.6 CASH AND CASH EQUIVALENTS.

For the purpose of cash flow statement ,Cash and cash equivalents comprise of cash in hand and balance with banks on current and deposit accounts.

### 3.7 STAFF RETIREMENT BENEFITS

#### Defined benefit plan

The Company operates an unfunded gratuity scheme for all of its permanent employees who have attained the minimum qualifying period for entitlement to the gratuity. Provisions are made periodically on the basis of actuarial valuations for the gratuity scheme. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the year in which they arise. Past service costs are recognized immediately in the profit and loss account.

#### THE PRINCIPAL ACTUARIAL ASSUMPTION USED IN THE VALUATION ARE AS FOLLOWS:

	2016	2015
Discount rate	7.25%	9.75%
Expected rate of increase in salaries	6.25%	8.75%
Expected mortality rate	EFU (61-66) mortality table	EFU (61-66) mortality table
Actuarial valuation method	Projected Unit Credit	Projected Unit Credit
Average expected remaining life of the employees	6 Years	6 Years

Actuarial valuations are conducted annually and the last valuations were conducted as on September 09, 2016 by Nauman Associates based on the "projected unit credit method"

### 3.8 TRADE DEBTS AND OTHER RECEIVABLES

Trade debts and other receivables are carried at original invoice amount less an estimates made for doubtful debts, if any, base on the review of all outstanding amounts at the year end. Debts considered irrecoverable, are written off, as and when identified.

### 3.9 REVENUE RECOGNITION

Revenue from sale of goods is measured at the fair value of consideration received or receivable and recognized on delivery of goods to customers when significant risks and rewards are transferred to the buyers.

Income from processing and harvesting services is recognized on accrual basis in accordance with the terms and conditions of the agreement with customers to the extent services are actually rendered and associated costs and outcomes of the transaction involving the rendering of such services can be measured reliably.

### 3.10 EXPENSE RECOGNITION

Expenses are recognized on accrual basis, or otherwise, as stated..

### 3.11 BORROWINGS

Loans and borrowings are recorded at the proceeds received. Financial charges are accounted for on accrual basis and are included in interest / mark-up payables on loans and other payables to the extent of amount remaining unpaid, if any.

### 3.12 BORROWING COST

Borrowing costs are recognized as an expense in the year in which these are incurred.

### 3.13 TRADE AND OTHER PAYABLES

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

### **3.14 RELATED PARTY TRANSACTIONS**

Transactions and contracts with related parties (if any) are carried out at arm's length price determined in accordance with comparable uncontrolled price method.

### **3.15 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 instruments. All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and receivable respectively. These financial assets and liabilities are subsequently measured at fair value, amortized cost or cost, as the case may be. The particular measurement methods adopted are disclosed in the individual policy statements associated with each item.

Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred. The company has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when they are extinguished i.e. when the obligations are discharged, cancelled or expired.

A financial asset and a financial liability is set off and the net amount is reported in the financial statements if the company has a legally enforceable right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Any gain or loss on the recognition and derecognition of the financial assets and liabilities is included in the income for the year in which it arises.

### **3.16 CONTINGENT LIABILITIES**

Contingent liabilities are disclosed when there is possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company; or there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

### **3.17 TAXATION**

#### **CURRENT**

Provision for current taxation is based on taxable income for the year at the current rates of taxation after taking into account tax credits and tax rebates available, if any.

#### **DEFERRED**

Deferred tax is recognized using the liability method, on all temporary differences at the balance sheet date calculated at the prevailing rates, between the tax bases of assets and liabilities and their carrying costs for the purposes of financial reporting. Deferred tax liabilities are recognized for all taxable temporary differences to the extent that such differences will reverse in the due future and taxable income will be available for deducting temporary differences.

The carrying amount of deferred tax asset is reviewed on the balance sheet date and is reduced to the extent that it is no longer probable that the sufficient taxable profit will be available to allow in all or part of it for the deferred tax asset.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets is realized or the liability is settled based on the tax rates that have been enacted currently or subsequently at the balance sheet date.

Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it becomes probable future taxable profits will allow deferred tax asset to be recovered.

### **3.18 PROVISIONS**

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

### **3.19 RESEARCH AND DEVELOPMENT COST**

Research and development cost are recognized in the year in which these are incurred.

### **3.20 OFF SETTING:**

Financial assets and liabilities are offset and the amount is reported in the financial statements only when there is legally enforceable right to set-off the recognized amount and the company intends either to settle on a net basis, or to realize the assets and to settle the liability simultaneously.

### **3.21 EARNING PER SHARE**

The company presents basic and diluted earning per share (EPS) for its ordinary shares. Basis EPS is calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects for all dilutive potential ordinary shares.



**3A CHANGES IN ACCOUNTING POLICIES**

**3A.1 Amendments in IAS-19(Revised)'Employee Benefits'**

IAS-19(revised)-'Employee Benefits' effective for annual periods beginning on or after January 01,2013 amends the accounting for employee benefits. The standard requires immediate recognition of past service cost in the profit and loss account and also replaces the interest cost on the defined benefit obligation and the expected return on plan assets with a net interest cost based on the net defined benefit asset or liability and the discount rate, measured at the beginning of the year.

Further, the corridor approach has been eliminated and a new term "remeasurements" has been introduced. This is made up of actuarial gains and losses, the difference between actual investment returns and the return implied by the net interest cost. The standard requires "remeasurements" to be recognized in the balance sheet immediately, with a charge or credit to other comprehensive income in the periods in which they occur.

The company has applied this change in accounting policy retrospectively in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and recorded unrecognized actuarial losses net of taxes associated with retirement benefit plan by adjusting balance of 'Revenue Reserves', 'deferred taxation' and Gratuity as at the beginning of the earliest year presented i.e. July 01,2013 in accordance with the requirements of IAS-1- Presentation of Financial Statements(Revised).

4-	<b>SHARE CAPITAL</b>	<b>2016</b>	<b>2015</b>
		Rupees	Rupees
	<b>Authorized</b>		
	5,000,000 (2015: 5,000,000) ordinary shares of Rs. 10 each	<u>50,000,000</u>	<u>50,000,000</u>
	<b>Issued, subscribed and paid-up</b>		
	4,000,000 (2015: 4,000,000) ordinary shares of Rs. 10 each fully paid for cash consideration	<u>40,000,000</u>	<u>40,000,000</u>
	<b>Shares held by Associates</b>		
	<b>Data Enterprises (Pvt.) Ltd</b>	<b>Number of</b>	<b>Number of</b>
	Percentage of equity held 9.87% ( 2015: 9.87% )	<b>Shares</b>	<b>Shares</b>
		<u>394,900</u>	<u>394,900</u>
4.1-	The shareholders' are entitled to receive all distributions to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the company. All shares carry "one vote" per share without restriction.		
4.2-	There is no movement in share capital during the year		
<b>5</b>	<b>SURPLUS ON REVALUATION OF PROPERTY PLANT AND EQUIPMENT - Net of tax</b>	<b>Rupees</b>	<b>Rupees</b>
	Gross surplus		
	Opening balance	34,017,751	36,830,425
	Decreognition of surplus on disposal of Fixed Assets (portion of land & Building)	(929,181)	
	<b>Add: Surplus arising due to revaluation of Property, plant and equipment</b>		
	Land	1,684,117	
	Building	7,514,325	
	Machinery	26,154,603	
		<b>35,353,045</b>	-
	Transfer to unappropriated profit in respect of incremental depreciation charged during the current year	3,280,211	2,812,674
	Deffered tax related to incremental depreciation	(1,049,668)	-
		<u>2,230,544</u>	<u>2,812,674</u>
		<u><b>66,211,071</b></u>	<u><b>34,017,751</b></u>

	Notes	2016 Rupees	2015 Rupees
<b>6- DEFERRED LIABILITIES</b>			
Deferred tax - net	6.1	19,057,147	12,595,804
Gratuity	6.2	5,933,490	5,753,344
		<b>24,990,637</b>	<b>18,349,148</b>
<b>6.1- DEFERRED TAX - NET</b>			
Deferred tax liabilities/(assets) arising due to;			
Accelerated tax depreciation		107,389	225,437
Provision for workers welfare fund		(1,106,877)	(931,489)
Provision for workers fund		(81,931)	(37,588)
Provision for gratuity		(1,958,052)	(1,898,604)
Provision for doubtful debts		(214,691)	(811,797)
Finance lease arrangements		-	-
		<u>(3,254,162)</u>	<u>(3,454,040)</u>
Surplus on revaluation of property plant and equipment		22,693,000	16,049,845
Effect of reduction in tax rates		(381,691)	-
		<b>19,057,147</b>	<b>12,595,804</b>
<b>6.2- Employees Retirement benefits (gratuity unfunded)</b>			
Present value of defined benefits		5,783,155	5,687,344
Benefits payable		150,335	66,000
		<b>5,933,490</b>	<b>5,753,344</b>
<b>Movement in present value of obligations</b>			
Present value of defined benefits obligation at the beginning of year		5,687,344	6,052,530
Current service cost for the year		566,185	616,843
Interest cost for the year		502,534	697,836
Benefits due but not paid		(84,335)	-
Benefits paid during the year		(981,960)	(1,571,688)
Gains and losses arising on planned settlements		-	-
Acturial (gains)/losses from changes in demographic assumptions		-	-
Acturial (gains)/losses from changes in financial assumptions		(21,583)	-
Experience adjustments		114,970	(108,177)
Liability at the end of the year		<b>5,783,155</b>	<b>5,687,344</b>
<b>6.2.1-Total remeasurements chargeable in other comprehensive income</b>			
Remasurement of plan obligations:			
Acturial (gains)/losses from changes in demographic assumptions		-	-
Acturial (gains)/losses from changes in financial assumptions		(21,583)	-
Experience adjustments		114,970	(108,177)
		<b>93,387</b>	<b>(108,177)</b>
<b>6.2.2-Changes in Net Liability</b>			
Balance Sheet liability/(asset)		5,753,344	6,118,530
Expense chargeable to P&L		1,068,719	1,314,679
Remeasurement chargeable in other comprehensive income		93,387	(108,177)
Benefits paid		(981,960)	(1,571,688)
Benefits payable transferred to short term liability		-	-
		<b>5,933,490</b>	<b>5,753,344</b>

	Notes	2016 Rupees	2015 Rupees
<b>6.3- Apportionment of staff retirement benefits</b>			
The expenses recognized in the income statement under following heads:			
Cost of goods sold		499,053	879,118
Administrative and general expenses		450,858	322,371
Selling and distribution expenses		118,807	113,190
		<u>1,068,719</u>	<u>1,314,679</u>
<b>7- SHORT TERM BORROWINGS-unsecured</b>			
Opening balance		27,878,943	32,378,943
Less: Payments made during the year		<u>(1,500,000)</u>	<u>(4,500,000)</u>
Closing balance		<u>26,378,943</u>	<u>27,878,943</u>
This represents the loan given by ex-director free of interest. According to revised agreement loan has been transferred from long term financing, as it shall be paid within next 12 months. The payment is subject to availability of funds and position of working capital of the company.			
<b>8- TRADE AND OTHER PAYABLES</b>			
Creditors		2,197,451	1,928,002
Accrued liabilities		1,815,855	2,402,402
Advances from customers		1,373,126	4,934,397
Workers' Welfare Fund	8.1	248,277	113,902
Worker's Profit Participation Fund	8.2	3,354,173	2,822,695
Tax deducted at source		40,986	104,465
Others		502,993	229,409
		<u>9,532,861</u>	<u>12,535,271</u>
<b>8.1- Workers Welfare Fund</b>			
Balance as at beginning		113,902	11,783
Contribution for the year		134,375	102,119
		<u>248,277</u>	<u>113,902</u>
Payment made during the year		-	-
		<u>248,277</u>	<u>113,902</u>
<b>8.2- Reconciliation of Workers Profit Participation Fund</b>			
Balance as at beginning		2,822,695	2,392,114
Return on funds utilized by the company		310,496	430,581
Contribution for the year		220,982	-
		<u>3,354,173</u>	<u>2,822,695</u>
Payment made during the year		-	-
		<u>3,354,173</u>	<u>2,822,695</u>
Return on fund utilized by the company is computed at the rate 2.5% above the bank rate .			
<b>9. PROVISION FOR TAXATION</b>			
Opening balance		1,381,027	1,327,624
Add: Provision for the year		2,193,007	713,684
		<u>3,574,035</u>	<u>2,041,308</u>
Less: Adjustment against completed assessments		<u>(713,684)</u>	<u>(660,281)</u>
		<u>2,860,351</u>	<u>1,381,027</u>
<b>10- CONTINGENCIES AND COMMITMENTS</b>		-	-

## 11- PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets-Owned

	2016 Rupees	2015 Rupees
11.1	<u>87,581,255</u>	<u>59,300,218</u>
	<b>87,581,255</b>	<b>59,300,218</b>

### 11.1.1- OPERATING FIXED ASSETS

#### OPERATING FIXED ASSETS

	Rupees									Leased asset		
	Freehold land	Building on freehold land	Plant and machinery	Electrical Equipment	Furniture and fittings	Agricultural equipment	Office equipment	Harvesting equipment	Vehicles	Total	Vehicles	Total
<b>Year ended June 30, 2015</b>												
Opening net book value	8,600,000	17,859,529	35,120,448	74,270	136,576	78,656	270,626	215,863	1,500,751	63,856,719	578,560	64,435,279
Additions / (deletion)	-	-	695,200	37,840	-	-	-	-	496,135	1,229,175	(496,135)	733,040
Surplus on revaluation of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charged for the year	-	1,785,953	3,561,638	9,494	13,658	15,731	27,063	43,173	328,967	5,785,676	82,425	5,868,101
<b>Closing net book value</b>	<b>8,600,000</b>	<b>16,073,576</b>	<b>32,254,010</b>	<b>102,616</b>	<b>122,918</b>	<b>62,925</b>	<b>243,563</b>	<b>172,691</b>	<b>1,667,919</b>	<b>59,300,218</b>	<b>-</b>	<b>59,300,218</b>
<b>At Jun. 30, 2015</b>												
Cost	8,600,000	44,864,384	133,934,418	153,039	646,248	138,750	1,040,437	7,669,000	5,347,888	202,394,164	1,659,241	204,053,405
Accumulated depreciation	-	28,790,808	101,680,408	50,423	523,330	75,825	796,874	7,496,309	3,679,969	143,093,946	1,659,241	144,753,187
<b>Net book value</b>	<b>8,600,000</b>	<b>16,073,576</b>	<b>32,254,010</b>	<b>102,616</b>	<b>122,918</b>	<b>62,925</b>	<b>243,563</b>	<b>172,691</b>	<b>1,667,919</b>	<b>59,300,218</b>	<b>-</b>	<b>59,300,218</b>
<b>Year ended June 30, 2016</b>												
Opening net book value	8,600,000	16,073,576	32,254,010	102,616	122,918	62,925	243,563	172,691	1,667,919	59,300,218	-	59,300,218
Additions	-	-	-	-	-	-	41,886	-	102,900	144,786	-	144,786
Deletions	(736,117)	(397,776)	-	-	-	-	-	-	-	(1,133,893)	-	(1,133,893)
Surplus on revaluation of fixed assets	1,684,117	7,514,325	26,154,603	-	-	-	-	-	-	35,353,045	-	35,353,045
Depreciation charged for the year	-	1,755,438	3,879,266	10,262	12,292	12,585	24,356	34,538	354,164	6,082,901	-	6,082,901
<b>Closing net book value</b>	<b>9,548,000</b>	<b>21,434,687</b>	<b>54,529,347</b>	<b>92,354</b>	<b>110,626</b>	<b>50,340</b>	<b>261,093</b>	<b>138,152</b>	<b>1,416,655</b>	<b>87,581,255</b>	<b>-</b>	<b>87,581,255</b>
<b>At Jun. 30, 2016</b>												
Cost	9,548,000	51,268,440	160,089,021	153,039	646,248	138,750	1,082,323	7,669,000	5,450,788	236,045,609	-	236,045,609
Accumulated depreciation	-	29,833,753	105,559,674	60,685	535,622	88,410	821,230	7,530,848	4,034,133	148,464,355	-	148,464,355
<b>Net book value</b>	<b>9,548,000</b>	<b>21,434,687</b>	<b>54,529,347</b>	<b>92,354</b>	<b>110,626</b>	<b>50,340</b>	<b>261,093</b>	<b>138,152</b>	<b>1,416,655</b>	<b>87,581,255</b>	<b>-</b>	<b>87,581,255</b>

Depreciation on operating fixed assets is charged at the following rates:

	Annual rate of depreciation (%)		Annual rate of depreciation (%)
Building on free hold area	10	Vehicles	20
Plant and machinery	10	Office equipment	10
Electrical Equipment	10	Harvesting equipment	20
Furniture and fittings	10	Agricultural equipment	20

Note: The carrying amount of the revalued assets that would have been included in the financial statements had these assets being carried at its cost less accumulated depreciation and accumulated impairment losses is shown as under:

Description	Carrying Value as at 30-06-2016			Carrying Value as at 30-06-2015		
	Inclusive of surplus	Surplus	Exclusive of surplus	Inclusive of surplus	Surplus	Exclusive of surplus
Land freehold	9,548,000	8,042,943	1,505,057	8,600,000	6,954,059	1,645,941
Building on freehold land	21,434,687	16,413,236	5,021,451	16,073,576	13,284,615	2,788,961
Plant and machinery	54,529,347	41,754,892	12,774,455	32,254,010	27,937,958	4,316,052
	<b>85,512,034</b>	<b>66,211,071</b>	<b>19,300,963</b>	<b>56,927,586</b>	<b>48,176,632</b>	<b>8,750,954</b>

First Revaluation was made on 30-06-1996 of land, building and plant and machinery and was carried out by independent valuer M/s.Haseeb Associates and certified by M/s. Anjum Asim Shahid & Co. Chartered Accountant, and revaluation surplus was amounting to Rs. 32.959 Million. Second revaluation was made on May 22, 2006 of aforesaid assets by the independent valuer M/s. Mughal Associates and certified by M/s. Khalid Majid Rehman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants and revaluation surplus was determined at Rs. 46,026,266/- on that date and third revaluation was made on June 25, 2012 of aforesaid assets by the independent valuer M/s. Mughal Associates and revaluation surplus was determined at Rs. 32,312,096/- Fourth revaluation was performed on April 08, 2016 of aforesaid assets by independent valuer M/s.Mughal associates and revalued surplus was determined at Rs.35,353,045/- .

## BASIS OF REVALUATION

Land freehold	Inspection and market inquiry was conducted to determine the value of land and fair value was determined mainly with reference to price of similar properties in the locality.
Building on freehold land	Survey of the building was conducted and fair value was determined keeping in view the type of construction, existing condition, life lived, aging effect of super structure, expected future life and residual factor.
Plant and Machinery	Fair value determined after conducting investigation, examining current condition, specification, technical data, year of manufacturing, working efficiency, useful life, capacity utilization, maintenance schedule, useful and expected future life, current market value and replacement of plant and machinery.

### 11.1- The depreciation for the year has been allocated as follows:

	2016	2015
Cost of goods sold	5,634,704	5,347,591
Administrative expenses	448,197	520,510
	<u>6,082,901</u>	<u>5,868,101</u>
<b>Total Depreciation</b>		
-Normal Depreciation		
-Owned assets	1,161,684	1,469,394
-Leased assets	-	82,425
-Incremental Depreciation	4,921,217	4,316,282
	<u>6,082,901</u>	<u>5,868,101</u>

### 11.2- Disposal of Property, Plant and Equipment

Particulars	Cost	Accumulated Depreciation	written Down Value	Sale Proceeds	Profit	Mode of Disposal	Particular of Buyer
Land	736,117	-	736,117	3,192,687	2,456,570	negotiation	National Highway Authority
Building	1,110,269	712,493	397,776	928,940	531,164	negotiation	National Highway Authority

## 12. STORES, SPARES PARTS AND LOOSE TOOLS

Stores and spares parts	12.1	2,703,822	2,950,243
Loose tools		217,736	217,736
		<u>2,921,558</u>	<u>3,167,979</u>

12.1.- Store and spare parts are interchangeable and it is not practicable to distinguish from each other.

## 13. STOCK IN TRADE

Raw material	5,723,020	8,707,840
Finished goods	7,987,860	8,548,700
	<u>13,710,880</u>	<u>17,256,540</u>

## 14. TRADE DEBTS -UNSECURED

Considered good	30,819,081	27,145,995
Considered doubtful	650,578	2,459,990
	<u>31,469,659</u>	<u>29,605,985</u>
<b>Less: Provision for doubtful debts</b>	650,578	2,459,990
	<u>30,819,081</u>	<u>27,145,995</u>
Opening Provision	2,459,990	2,459,990
Add: provision made during the year	650,578	-
Less: Bad Debts Written off	2,459,990	-
<b>Balance at the year end</b>	<u>650,578</u>	<u>2,459,990</u>

## 15. LOAN AND ADVANCES-Unsecured

### Advances to executive staff:

- Considered good	15.1	1,541,821	1,330,044
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### Advances to other employees: unsecured

Advance against Salary	103,956	382,948
Advance against expenses	1,722,734	56,547
- Considered good	-	-

### Advances to suppliers:

Considered good	1,296,700	1,663,000
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### Other advances

Advance income tax	15.2	1,715,890	1,176,858
		<u>6,381,101</u>	<u>4,609,397</u>

Advances to employees are provided to meet business expenses and are settled as an when the expenses are incurred

	Notes	2016 Rupees	2015 Rupees
<b>15.1 MOVEMENT OF ADVANCES TO EXECUTIVE STAFF</b>			
Opening balance		1,330,044	1,312,440
Advance during the year		443,227	677,100
		<u>1,773,271</u>	<u>1,989,540</u>
Received/transferred during the year		(231,450)	(659,496)
Closing balance		<u><b>1,541,821</b></u>	<u><b>1,330,044</b></u>
<p>These represents advance to executive staff for day to day operation of business basis. the maximum aggregate amount due from executive staff at the end of any month during the year was Rs.1,435,933/- (2015: Rs. 1,275,880/-).</p>			
<b>15.2 ADVANCE INCOME TAX</b>			
Opening balance		1,176,858	1,058,052
Tax deducted/paid during the year		870,805	332,934
		<u>2,047,663</u>	<u>1,390,986</u>
Adjustment during the year		(331,773)	(214,128)
		<u><b>1,715,890</b></u>	<u><b>1,176,858</b></u>
<b>16. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS</b>			
Security deposits with statutory authorities		122,850	102,850
Prepayments	16.1	2,471,888	2,601,181
		<u><b>2,594,738</b></u>	<u><b>2,704,031</b></u>
<b>16.1- PREPAYMENTS</b>			
Prepaid insurance - Vehicles		95,486	120,844
Prepaid lease charges - Farms		1,986,402	2,480,337
Prepaid rent		390,000	-
		<u><b>2,471,888</b></u>	<u><b>2,601,181</b></u>
<b>17. CASH AND BANK BALANCES</b>			
Cash in hand			
-Head office		58,539	55,782
-Factory		189,040	231,444
Cash at bank:		247,579	287,226
-Current accounts		7,775,807	3,277,511
		<u><b>8,023,386</b></u>	<u><b>3,564,737</b></u>
<b>18. TURNOVER</b>			
Gross Turnover	18.1	89,538,810	72,908,992
Less: Trade discounts		2,422,913	1,540,546
Sale return		3,883,470	-
		<u><b>83,232,427</b></u>	<u><b>71,368,446</b></u>
<b>18.1 Gross Tunover</b>			
Sale of goods	18.1.1	74,906,766	42,407,577
Delinting	18.1.2	14,632,044	30,501,415
		<u><b>89,538,810</b></u>	<u><b>72,908,992</b></u>

	Notes	2016 Rupees	2015 Rupees
<b>18.1.1 Sale of Goods</b>			
Hybrid corn seed		45,590,467	28,885,600
Cotton seed		8,832,870	2,322,480
Vegetable seed		324,510	338,420
Okra seed		1,033,750	190,900
Wheat seed		2,235,166	835,325
S.S.G		134,800	180,000
Sale of Paddy		1,179,125	1,074,080
Micronutrient		8,015,915	2,927,310
Other seeds		3,344,220	1,287,380
Sale of lint		411,746	1,870,957
Sale of Vanda		3,804,197	2,495,125
		<b><u>74,906,766</u></b>	<b><u>42,407,577</u></b>
<b>18.1.2 Delinting</b>			
Seed processing		14,552,044	30,388,435
Cleaning and drying		80,000	112,980
		<b><u>14,632,044</u></b>	<b><u>30,501,415</u></b>
<b>19. COST OF SALES</b>			
Raw material consumed	19.1	26,701,890	19,728,773
Chemicals, stores and others		4,613,778	4,524,509
Salaries, wages & benefits	19.2	6,404,311	7,425,086
Fuel and powers		3,634,623	7,112,544
Repair and maintenance (Plant & machinery)		710,395	914,181
Repair and maintenance (Building)		242,000	97,695
Repair and maintenance (Electrical)		166,801	188,262
Repair and maintenance (Furniture & fixture)		1,760	38,904
Processing expenses		1,614,028	2,473,752
Research and development expenses		6,216,240	5,876,149
Micronutrient expenses		4,381,337	1,805,800
Vehicle repair and maintenance		53,176	71,757
Laboratory expenses		35,374	44,437
Consultancy charges - Generator		45,000	90,000
Entertainment		225,638	291,092
Telephone charges		123,235	148,594
Germination claims		23,250	174,970
Kappa's Ginning charges		12,585	86,356
Traveling and conveyance		5,770	11,726
Depreciation		5,634,704	5,347,591
Miscellaneous charges		158,448	138,947
		61,004,344	56,591,125
Adjustments of finished goods			
- Opening		8,548,700	12,144,389
- Pre-paid expenses		-	-
- Closing		(7,987,860)	(8,548,700)
		560,840	3,595,689
		<b><u>61,565,184</u></b>	<b><u>60,186,814</u></b>

<b>19.1 RAW MATERIAL CONSUMED</b>	<b>Notes</b>	<b>2016 Rupees</b>	<b>2015 Rupees</b>
Raw material consumed - Fuzzy seed	19.1.1	2,593,185	85,750
Raw material consumed - Wheat	19.1.2	1,793,597	911,929
Raw material consumed - Hybrid Corn seed	19.1.3	18,223,693	13,781,800
Raw material consumed - Okra seed	19.1.4	589,420	658,237
Raw material consumed - Delinted Cotton seed	19.1.5	238,059	2,610,276
Raw material consumed - S.S.G seed	19.1.6	49,350	55,580
Raw material consumed - Soyabean	19.1.7	28,857	1,996
Raw material consumed - Rice / Paddy	19.1.8	518,830	445,435
Raw material consumed - Peas	19.1.9	44,688	118,773
Raw material consumed - Lucern	19.1.10	4,428	45,585
Raw material consumed - Venda	19.1.11	2,552,463	1,013,412
Raw Material consumed - Sesame	19.1.12	65,320	-
		<b><u>26,701,890</u></b>	<b><u>19,728,773</u></b>
<b>19.1.1 RAW MATERIAL CONSUMED - FUZZY SEED</b>			
Opening stocks - 01-07-2015		-	-
Add: Purchases		2,593,185	85,750
Add: Expenses on production - own farms		-	-
		2,593,185	85,750
Closing stock 30-06-2016		-	-
Consumed for own farm production		<b><u>2,593,185</u></b>	<b><u>85,750</u></b>
<b>19.1.2 RAW MATERIAL CONSUMED - WHEAT SEED</b>			
Opening stocks - 01-07-2015		1,450,890	615,540
Add: Purchases		-	-
Add: Expenses on production - own farms		2,415,118	1,747,279
		3,866,008	2,362,819
Closing stock 30-06-2016		(2,072,411)	(1,450,890)
Consumed for own farm production		<b><u>1,793,597</u></b>	<b><u>911,929</u></b>
<b>19.1.3 RAW MATERIAL CONSUMED - HYBRID CORN</b>			
Opening stocks - 01-07-2015		7,256,950	6,703,000
Add: Purchases		2,038,432	-
Add: Expenses on production - own farms		12,367,027	14,335,750
		21,662,409	21,038,750
Closing stock 30-06-2016		(3,438,716)	(7,256,950)
Consumed for own farm production		<b><u>18,223,693</u></b>	<b><u>13,781,800</u></b>
<b>19.1.4 RAW MATERIAL CONSUMED - OKRA SEED</b>			
Opening stocks -01-07-2015		-	22,500
Add: Purchases		189,700	-
Add: Expenses on production - own farms		426,783	635,737
		616,483	658,237
Closing stock 30-06-2016		(27,063)	-
Consumed for own farm production		<b><u>589,420</u></b>	<b><u>658,237</u></b>
<b>19.1.5 RAW MATERIAL CONSUMED - DELINTED COTTON SEED</b>			
Opening stocks - 01-07-2015		-	-
Add: Purchases		111,338	444,937
Add: Expense on production - own farms		126,721	2,165,339
		238,059	2,610,276
Closing stock 30-06-2016		-	-
Consumed for own farm production		<b><u>238,059</u></b>	<b><u>2,610,276</u></b>



	2016 Rupees	2015 Rupees
<b>19.1.6 RAW MATERIAL CONSUMED - S.S.G SEED</b>		
Opening stock - 01-07-2015	-	-
Add: Purchases	164,150	-
Add: Expense on production - own farms	4,710	55,580
	168,860	55,580
Closing stock 30-06-2016	(119,510)	-
Consumed for own farm production	<b>49,350</b>	<b>55,580</b>
<b>19.1.7 RAW MATERIAL CONSUMED - Soyabean</b>		
Opening stock - 01-07-2015	-	-
Add: Purchases	-	-
Add: Expense on production - own farms	94,177	1,996
	94,177	1,996
Closing stock 30-06-2016	(65,320)	-
Consumed for own farm production	<b>28,857</b>	<b>1,996</b>
<b>19.1.8 RAW MATERIAL CONSUMED - Rice/Paddy</b>		
Opening stock - 01-07-2015	-	-
Add: Purchases	489,768	-
Add: Expense on production - own farms	29,062	445,435
	518,830	445,435
Closing stock 30-06-2016	-	-
Consumed for own farm production	<b>518,830</b>	<b>445,435</b>
<b>19.1.9 RAW MATERIAL CONSUMED - Peas</b>		
Opening stock - 01-07-2015	-	-
Add: Purchases	44,688	-
Add: Expense on production - own farms	-	118,773
	44,688	118,773
Closing stock 30-06-2016	-	-
Consumed for own farm production	<b>44,688</b>	<b>118,773</b>
<b>19.1.10 RAW MATERIAL CONSUMED - Lucern</b>		
Opening stock - 01-07-2015	-	-
Add: Purchases	-	-
Add: Expense on production - own farms	4,428	45,585
	4,428	45,585
Closing stock 30-06-2016	-	-
Consumed for own farm production	<b>4,428</b>	<b>45,585</b>
<b>19.1.11 RAW MATERIAL CONSUMED - Vanda</b>		
Opening stock - 01-07-2015	-	-
Add: Purchases	-	-
Add: Expense on production - own farms	2,552,463	1,013,412
	2,552,463	1,013,412
Closing stock 30-06-2016	-	-
Consumed for own farm production	<b>2,552,463</b>	<b>1,013,412</b>
<b>19.1.12 RAW MATERIAL CONSUMED - Sesame</b>		
Opening stock - 01-07-2015	-	-
Add: Purchases	65,320	-
Add: Expense on production - own farms	-	-
	65,320	-
Closing stock 30-06-2016	-	-
Consumed for own farm production	<b>65,320</b>	-

**19.2** Salaries, wages and benefits include Rs.499,053/- (2015: Rs.879,118 /-) in respect of staff retirement benefits-gratuity (Note # 6.3)

	Notes	2016 Rupees	2015 Rupees
<b>20. ADMINISTRATIVE EXPENSES</b>			
Salaries, wages and benefits	20.1	5,785,825	3,081,526
Printing and stationery		182,418	189,600
Traveling and conveyance		110,480	93,480
Vehicle running and maintenance		20,370	140,766
Rent, rates and taxes		160,400	70,885
Postage and telegram		44,279	48,460
Electricity expenses		896,391	834,512
Telephone expenses		55,090	16,510
Entertainment		18,239	3,450
Newspaper and periodicals		7,140	5,655
Fee and subscription		88,375	57,360
Legal and professional charges		202,430	254,560
Auditors' remuneration	20.2	420,000	400,000
Canteen expenses		108,212	128,092
Repair & maintenance - office equipment		133,844	27,190
Charity & donation		19,070	-
Usher		492,407	-
Insurance expenses		216,683	182,670
Depreciation	11.2	448,197	520,510
Miscellaneous expenses		4,371	23,202
		<b>9,414,221</b>	<b>6,078,428</b>
<b>20.1</b>	Salaries, wages and benefits include Rs.450,858 (2015: Rs.322,371 /-) in respect of staff retirement benefits - gratuity (Note # 6.3).		
<b>20.2 Auditor's remuneration</b>			
Statutory Audit fee		250,000	250,000
Half yearly review		-	-
out of pocket expenses		20,000	-
Tax consultancy		150,000	150,000
		<b>420,000</b>	<b>400,000</b>
<b>21 DISTRIBUTION COST</b>			
Salaries, wages and benefits	21.1	1,524,644	1,081,977
Telephone expenses		122,223	82,899
Travelling and conveyance		3,130	7,970
Entertainment		17,749	17,087
Advertisement		482,671	213,962
Repair & maintenance - Vehicles		1,315,679	1,298,450
Freight & octroi		450,435	381,460
Sale promotion expenses		303,062	199,632
Commission on sale		1,517,475	-
Residence expenses		-	1,500
Doubtful debts		650,578	-
Bad Debts Written off		4,871,485	-
Miscellaneous expenses		14,340	19,340
		<b>11,226,173</b>	<b>3,304,277</b>
<b>21.1.</b>	Salaries, wages and benefits include Rs.118,807/- (2015: Rs.113,190 /-) in respect of staff retirement benefits - gratuity (Note # 6.3).		
<b>22. FINANCE AND OTHER COST</b>			
Lease finance charges		-	15,752
Bank Charges		53,069	61,780
Stock exchange fees		133,947	112,390
<b>Other cost</b>			
Workers profit participation fund		531,479	430,581
Workers welfare fund		134,375	102,119
		<b>852,870</b>	<b>722,622</b>

	<b>2016</b>	<b>2015</b>
	Rupees	Rupees
<b>23. OTHER INCOME</b>		
<b>Income from non financial assets</b>		
capital gain on disposal of fixed assets	2,987,734	-
<b>Others</b>		
Cleaning & drying	169,535	81,050
income from sale of woods & Plants	780,341	-
	<u><b>3,937,610</b></u>	<u><b>81,050</b></u>
<b>24. TAXATION</b>		
Current year	2,193,007	713,684
Prior years	-	-
<b>DEFERRED</b>	2,193,007	713,684
Current year	6,843,033	1,165,728
Prior years	(381,691)	-
	<u>6,461,342</u>	<u>1,165,728</u>
	<u><b>8,654,350</b></u>	<u><b>1,879,412</b></u>
<b>24.1- NUMERICAL RECONCILIATION BETWEEN THE AVERAGE EFFECTIVE TAX RATE AND THE APPLICABLE TAX RATE.</b>	<b>%AGE</b>	<b>%AGE</b>
Applicable tax rate	32.00%	33.00%
Tax effect of non deductible expenses	0.00%	0.00%
Tax effect of minimum tax liability	21.96%	27.67%
Tax effect of prior year relating to revaluation surplus	0.00%	0.00%
Tax effect of prior year relating to wokers fund	0.00%	0.00%
Tax charge relating to prior year	-9.39%	0.00%
Tax effect relating to deferred tax current year	168.37%	100.72%
<b>Average effective tax rate</b>		
Tax expense for the year divided by profit before tax	<u>212.94%</u>	<u>162.39%</u>
<b>25. EARNING PER SHARE</b>	<b>2016</b>	<b>2015</b>
	Rupees	Rupees
Net Profit/(loss) for the year after taxation	(4,590,059)	(613,880)
Number of ordinary shares issued and subscribed at the end of the year	4,000,000	4,000,000
	<u>(1.15)</u>	<u>(0.15)</u>
<b>25.1. BASIC</b>		
Earning per share	<u>(1.15)</u>	<u>(0.15)</u>
<b>25.2. DILUTED</b>		
There is no dilution effect on the basic earning per share of the company as the company has no such commitments.		
<b>26 NUMBER OF EMPLOYEES (Average and year end)</b>		
The total average number of employees during the period and as at the period end are as follows:		
	<u>Number of employees</u>	
Average number of employees during the period	<u>30</u>	<u>27</u>
number of employees as at 30-06-2016	<u>28</u>	<u>27</u>

**27. REMUNERATION OF CHIEF EXECUTIVES, DIRECTORS AND EXECUTIVES**

The aggregate amounts charged in the accounts for the period for remuneration, including all benefits to the Chief executive, Directors, and executive of the Company are as follows:

	<b>2016</b>		
	Chief Executive	Directors	Executives
Managerial remuneration	-	2,320,000	2,245,842
Commission or bonus	-	-	-
Utilities	-	116,000	112,292
House rent	-	1,044,000	1,010,629
Medical	-	139,200	44,644
Pension, gratuity and contribution to other funds	-	-	-
Other perquisites and benefits	-	-	-
	<u>-</u>	<u>3,619,200</u>	<u>3,413,407</u>
Number of persons	<b>1</b>	<b>1</b>	<b>5</b>

Director has been provided with free use of company's maintained car for official use only. No remuneration was paid to chief executive and other directors during the year nor any meeting fees.

	<b>2015</b>		
	Chief Executive	Working Director	Executives
Managerial remuneration	-	2,319,977	-
Commission or bonus	-	-	-
Utilities	-	116,004	-
House rent	-	1,044,000	-
Medical	-	139,200	-
Pension, gratuity and contribution to other funds	-	-	-
Other perquisites and benefits	-	-	-
	<u>-</u>	<u>3,619,176</u>	<u>-</u>
Number of persons	<b>1</b>	<b>1</b>	<b>-</b>

General manager has been provided with free use of company's maintained car for official use only. No remuneration was paid to chief executive and directors during the year nor any meeting fees.

	<b>2016</b>	<b>2015</b>
<b>28. TRANSACTIONS WITH ASSOCIATED UNDERTAKING</b>	<b>NIL</b>	<b>NIL</b>
Transactions / Services rendered / received		
<b>29. CAPACITY AND PRODUCTION</b>	<b>M.Tons</b>	<b>M.Tons</b>
Annual rated capacity (at 100% capacity)	<b>18,250</b>	<b>18,250</b>
(Based on 50 Tons per day of 24 hours and 365 days a year)		
<b>Actual Production</b>		
- Cotton seeds	37	71
- Other seeds	283	90
- Third party seed-processed	2,059	3,977
	<u><b>2,379</b></u>	<u><b>4,138</b></u>

**29.1.** The exact rated capacity of the plant can not be determined as it varies according to nature of seeds to be processed and also affected by various other associated factors.

**29.2.** Due to perishable nature of the product, the actual production is limited to market demand.

**30. General**

**30.1.** Figures have been rounded off to nearest rupees.

**30.2.** Corresponding figures have been rearranged, and reclassified, where necessary, for better presentation and disclosure. However, there have been no material rearrangements or reclassification.

## 31. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES FINANCIAL RISK MANAGEMENT

The Company has exposure to the followings risks from its use of financial instruments:

Credit risk  
Liquidity risk  
Market risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The board is also responsible for developing and monitoring the Company's risk management policies.

### COMPANY RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors and compliance with Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

#### 31.1- Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail completely to perform as contracted and arise principally from trade receivables, loans and advances and trade deposits. Out of the total financial assets of Rs. 45,811,977/-, (2015: Rs. 35,888,538/-) financial assets which are subject to credit risk amount to Rs. 36,072,701/- (2015:Rs 31,146,943/-).

To manage exposure to credit risk in respect of trade receivables. Management maintains procedures covering the application for credit approvals, granting and renewal of counter parties limit taking into account the customer's financial position, past track record, credit rating and other factors. As a part of these processes, exposures of credit risk are regularly monitored, assessed and customer are persuaded for prompt recovery. In addition to this the company has established an allowances for impairment that is estimate of expected losses in respect of trade debts. This allowance is based on the management assessment of specific loss component that relate to significant exposures. Sales to customers are also made against advance payment to further prudently manage the credit risk.

The Company limits its exposure to credit risk by following the polices and procedures of approval and continuous monitoring of loan and advances extended to staff and suppliers and maintain bank account only with counterparty that have high degree of credit rating. Advance tax is adjustable or recoverable from FBR which is a State authority and have high credit rating. Given these high credit ratings, management do not expect that any of these counterparty fail to meet its obligations.

The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk at the reporting date was:

	2016 Rupees	2015 Rupees
Trade debtors	30,819,081	27,145,995
Loan's and advances	6,846,660	5,074,956
Trade deposits	122,850	102,850
Cash and Bank balance	8,023,386	3,564,737
	<u>45,811,977</u>	<u>35,888,538</u>

The trade debts as at the balance sheet date are classified by Geographical area as follows:

	2016	2015
Foreign	-	-
Domestic	30,819,081	27,145,995
	<u>30,819,081</u>	<u>27,145,995</u>

#### Impairment Losses

The aging of trade debts at the reporting date was:

	2016		2015	
	Gross debts	Impaired	Gross debts	Impaired
Not past due	16,570,904	-	2,221,245	-
Past due 0-30 days	4,578,875	-	12,982,779	-
Past due 30-60 days	2,365,164	-	566,258	-
Past due 60-90 days	1,591,936	-	2,672,034	-
Over 90 days	6,362,780	(650,578)	11,163,669	(2,459,990)
	<u>31,469,659</u>	<u>(650,578)</u>	<u>29,605,985</u>	<u>(2,459,990)</u>

The movement in the allowance for impairment in respect of trade debts during the year was as follows:

	2016 Rupees	2015 Rupees
Balance at the beginning of the year	2,459,990	2,459,900
Provision made during the year	650,578	-
Written off during the year	(2,459,990)	-
Balance at the end of the year	<u>650,578</u>	<u>2,459,990</u>

Based on past experience and practice, consideration of financial position, past track records and recoveries, the Company believes that trade debtors past due to 60 days do not require any impairment allowance and no impairment loss is necessary in respect of remaining portion of past due over 90 days other than amount provided. Trade debts are essentially due from corporate entities and farmers and the Company is actively pursuing for prompt recovery of debts and does not expect these counter parties to fail to meet their obligations.

The allowance accounts in respect of trade receivables, loans and advances are used to record impairment losses unless the Company is satisfied that no recovery of the amount owing is possible, at that point the amount considered irrecoverable is written off against the financial asset directly. an amount of Bad debts of Rs. 2,459,990/- has been written off against the provision and the remaining Bad debts amount Rs.4,871,485/-has been written off directly in P&L against debtor and amount of Rs. 492,407/- against advances.

### 31.2- Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding to an adequate amount of committed credit facilities and the ability to close out market positions due to dynamic nature of the business. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The maturity profile of the Company's financial liabilities based on the contractual amounts is as follows:

	2016		2015	
	Carrying amount	Contractual Cashflows	Carrying amount	Contractual Cashflows
Loans and other borrowings - Unsecured	26,378,943	-	27,878,943	-
Trade and other payables - Unsecured	9,532,861	9,532,861	12,535,271	12,535,271
	<b>35,911,804</b>	<b>9,532,861</b>	<b>40,414,214</b>	<b>12,535,271</b>

The Company is not materially exposed to liquidity risk as substantially all obligations, commitments of the company are of short term and routine in nature (Accrued expense) and are restricted to the extent of available liquidity except the long term unsecured interest free loan obtained from the directors redeemable on the option of the Company. As a part of liquidity risk management policy Company follows effective cash flow, planning, controlling and management procedures to ensure availability of funds through effective working capital management and to appropriate measures for new requirements.

### 31.3- Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will effect company's income or the value of its holdings of financial instruments. The objective of the market risk management is to manage and control market exposures within acceptable parameters, while optimizing the return on risk.

#### 31.3.1- Foreign currency risk management

Foreign currency risk arises mainly where receivable and payables exist due to the transactions with foreign undertaking. Financial assets and financial liabilities of the company are not exposed to currency risk as a company has not entered into any transaction with any foreign undertakings.

#### 31.3.2 - Interest rate risk management:

The Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company has no significant long term interest bearing financial assets and liabilities whose fair value or cash flows will fluctuate because of changes in market interest rates. As there is no interest bearing financial asset and liability therefore disclosure requirement of effective rate of interest not attracted.

#### 31.3.3 - Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders, and to maintain a strong capital base to support the sustained development of its businesses.

The company manage its capital structure by effective cash flow management to ensure availability of funds and by monitoring return on net assets and make adjustments thereto in the light of changes in economic conditions. Consistent with others in the industry, the company manage its capital risk by monitoring its debt levels and liquid assets and keeping in view future requirements and expectations of the shareholders. Debt is calculating as total borrowings. Total capital comprises shareholders equity as shown in the balance sheet under share capital and reserves. In order to maintain or adjust the capital structure, the company may also adjust the amount of dividends paid to shareholders or issue new shares.

#### 31.3.4 - Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices ( other than those arising from interest rate risk or currency risk). The company is not exposed to any price risk as there are no financial instruments at the reporting date that are sensitive to price fluctuations.

### 31.4- Fair Value of financial assets and financial liabilities

The carrying value of financial assets and liabilities reflected in the financial statements approximate to their fair value.

## 32. DATE OF AUTHORIZATION FOR ISSUE

The financial statements have been authorized for issue on October 08, 2016 by the board of directors of the company.

**DATA AGRO LIMITED FORM 34**  
**The Companies Ordinance, 1984 (Section 236)**  
**PATTERN OF SHARE HOLDINGS**  
**AS AT JUNE 30, 2016**

Number of ShareHolders	Shareholding		Number of Share Held	% of Capital
	From	To		
79	1	100	2,064	0.05
2,334	101	500	1,162,815	29.07
45	501	1000	43,421	1.09
63	1001	5000	175,500	4.39
14	5001	10000	112,000	2.80
2	10001	15000	22,200	0.56
5	15001	20000	89,800	2.25
1	20001	25000	21,000	0.53
1	25001	30000	29,500	0.74
2	30001	35000	65,500	1.64
1	45001	50000	50,000	1.25
1	50001	55000	50,500	1.26
2	80001	85000	168,500	4.21
2	110001	115000	229,200	5.73
1	135001	140000	140,000	3.50
1	145001	150000	150,000	3.75
1	215001	220000	219,200	5.48
1	230001	235000	233,500	5.84
1	275001	280000	275,800	6.90
1	360001	365000	364,600	9.12
1	390001	395000	394,900	9.87
<b>2,559</b>	<b>&lt;-----TOTAL-----&gt;</b>		<b>4,000,000</b>	<b>100.00</b>

**CATEGORIES OF SHARE HOLDINGS**  
**AS ON JUNE 30-06-2016**

Sr #	Shareholder's Category	Number of Shareholders	Number of Shares Held	Percentage
1	Directors/Chief Executive Officer and their Spouse and minor children.	12	1,266,100	31.65
2	Executives	-	-	-
3	Associated Companies, Undertakings and Public Sector Companies and Corporations	1	394,900	9.87
4	NIT and ICP NBP (Trustee Department) -----> 11,700 IDBP ( ICP UNIT) -----> 34,000	2	45,700	1.14
5	Public Sector Companies and Corporations	-	-	-
6	Banks, Development Financial Institutions, Non-Banking Financial Institutions Insurance Companies Modarabas and Mutual Funds	1	65	0.00
7	Shareholding 5% or More (including in above category)	*5	*1,638,000	*40.95
8	Others	2	8,001	0.20
9	Individuals	2,541	2,285,234	57.13
	<b>TOTAL : -</b>	<b>2,559</b>	<b>4,000,000</b>	<b>100.00</b>

CATEGORIES OF SHAREHOLDERS		TOTAL SHARES HELD	%
<b>A) Directors/Chief Executive Officer and their spouse and minor Children</b>			
1	MR SOHAIL KHAN	500	0.01
2	MR. ANWAR-UL-HAQ	1,000	0.03
3	MR. ASAD RAHIM KHAN	383,500	9.59
4	MR HAIDER SADIK	219,200	5.48
5	MR MOHAMMAD AYUB KHAN	500	0.01
6	MR SHAMIM AHMAD KHAN	500	0.01
7	MRS FAAIZA FAAIZ KHAN	275,800	6.90
8	MR SAAD RAHIM KHAN	364,600	9.12
9	MR FAAIZ RAHIM KHAN	10,000	0.25
10	MR ASIF RAHIM KHAN	10,000	0.25
11	MRS BADAR HUSSAIN	500	0.01
<b>TOTAL: -</b>		<b>1,266,100</b>	<b>31.65</b>
<b>B) Executives</b>			
-	-	-	-
<b>C) Associated Companies, Undertakings and related parties</b>			
1	DATA ENTERPRISES (PVT) LTD	394,900	9.87
<b>TOTAL: -</b>		<b>394,900</b>	<b>9.87</b>
<b>D) NIT and IDBP (ICP UNIT)</b>			
1	N.B.P. TRUSTEE DEPARTMENT	11,700	0.29
2	IDBP (ICP UNIT)	34,000	0.85
<b>TOTAL: -</b>		<b>45,700</b>	<b>1.14</b>
<b>E) Banks, Development Financial Institutions, Non-Banking Financial Institutions, Insurance companies, Modarabas and Mutual Funds</b>			
1	NATIONAL BANK OF PAKISTAN	65	0.00
<b>TOTAL:-</b>		<b>65</b>	<b>0.00</b>
<b>F) *Shareholding 5% or more</b>			
1	MR. ASAD RAHIM KHAN	383,500	9.59
2	MR HAIDER SADIK	219,200	5.48
3	MRS FAAIZA FAAIZ KHAN	275,800	6.90
4	MR SAAD RAHIM KHAN	364,600	9.12
5	DATA ENTERPRISES (PVT) LTD	394,900	9.87
<b>TOTAL: -</b>		<b>1,638,000</b>	<b>40.95</b>
<b>G) Others</b>			
1	MAPLE LEAF CAPITAL LIMITED	1	0.00
2	NCC - PRE SETTLEMENT DELIVERY ACCOUNT	8,000	0.20
<b>TOTAL: -</b>		<b>8,001</b>	<b>0.20</b>
<b>H) Individuals</b>		<b>2,285,234</b>	<b>57.13</b>
<b>GRAND TOTAL :-</b>		<b>4,000,000</b>	<b>100.00</b>

\* Shareholders having 5% or above shares exist in other categories therefore not included in total.





**FORM OF PROXY**

I/We-----  
of -----being a member of **DATA AGRO LIMITED** and holding-----  
- ordinary shares as per Share Register Folio No-----hereby appoint Mr.-----  
----- of -----or failing him Mr.-----of ----  
----- as my /our proxy in my/our absence to attend and vote for me/us and on  
my/our behalf at the Annual General Meeting of the Company to be held on 31<sup>st</sup>  
October, 2016 at 11:30 a.m. at 71/E-1, Hali Road, Gulberg-III, Lahore and at any  
adjournment thereof.

Signed this -----day of -----2016.

Witnesses:

1. Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
NIC or  
Passport No. \_\_\_\_\_



The Signature should agree  
with the specimen registered  
with the Company.

2. Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
CNIC or  
Passport No. \_\_\_\_\_

Note:

Proxies in order to be effective must be received at the Company's registered office not less than 48 hours before the meeting. No person shall be appointed a proxy who is not member of the Company qualified to vote except that a corporation being a member may appoint as proxy a per son who is not a member.

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