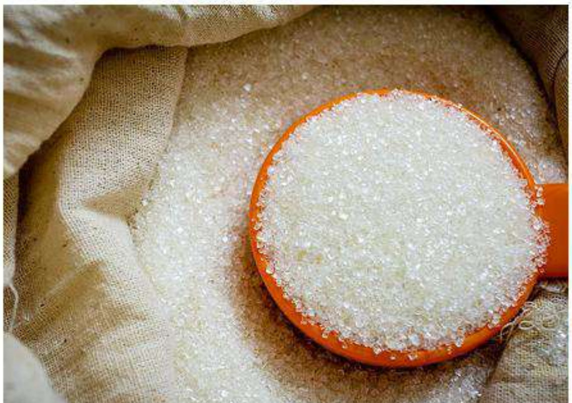
Shakarganj
Limited



ANNUAL REPORT
FOR THE YEAR ENDED
2023

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VISION, MISSION & CORE VALUES

To provide the best value products and services to our customers through investment in technology, human resources, operational systems, and processes

To provide the best working environment to our employees and provide them opportunities to enhance their skills

To gain and maintain leadership in our relevant sectors by producing the best quality products at the lowest possible cost

To give the best returns to our shareholders by optimal allocation of resources to the products and markets we compete in

To work with our farmers, suppliers, and distributors as partners in developing their expertise and profitability

To pursue environment friendly policies, and effectively and efficiently use all energy resources aiming for zero waste and a clean healthy environment

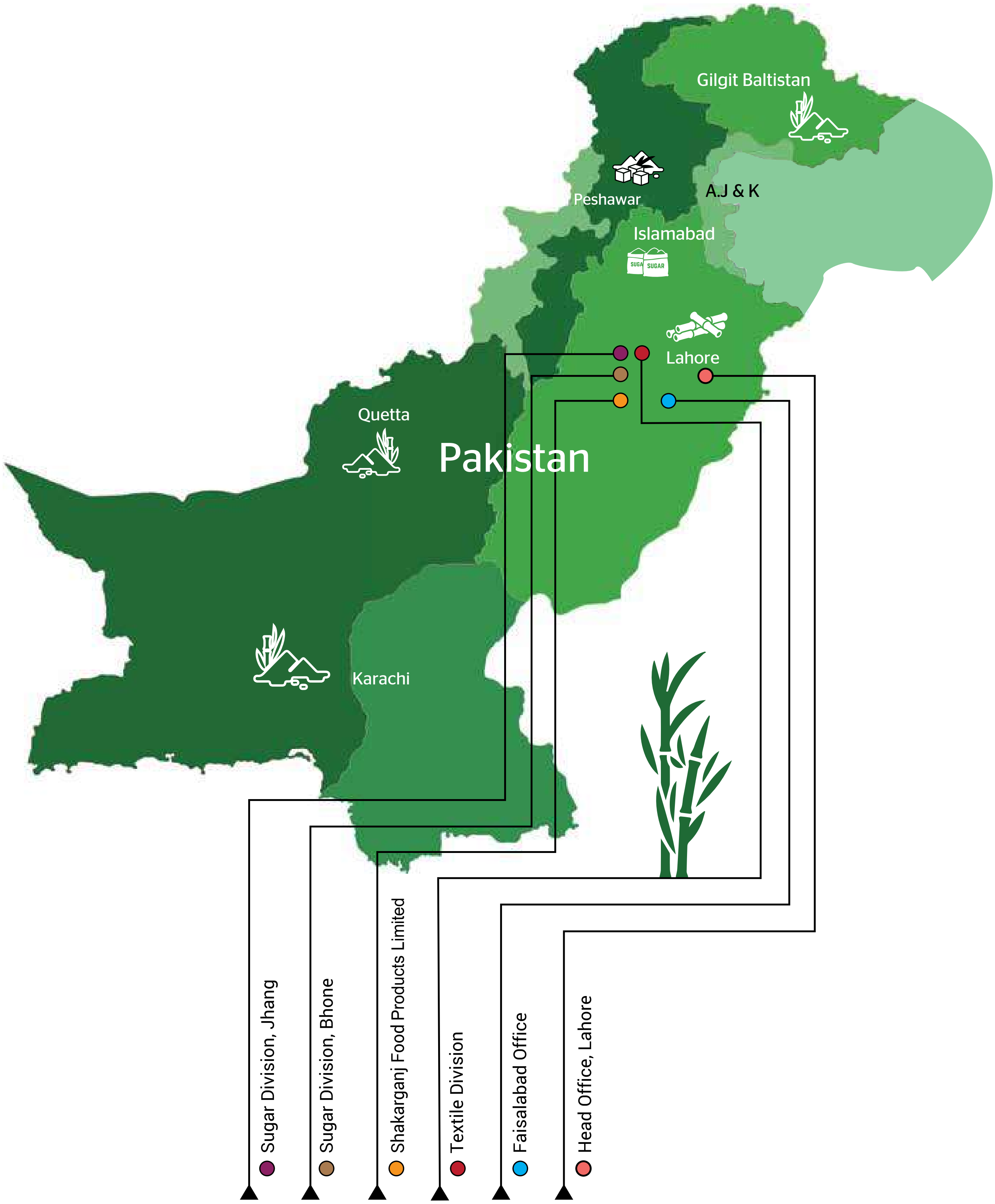
To be a socially responsible corporate citizen supporting education, health, environment, and socio economic development of its community

QUALITY POLICY

Our quality policy, stemming from our vision, is to maintain industry leadership and customer satisfaction through production of high quality sugar, biofuel, yarn, and other allied products at lowest cost, using environment friendly technology in safe working conditions.

We run our businesses with integrity and professionalism, and believe in continual improvements and a fair deal for our investors, customers, suppliers and above all our employees.

GEOGRAPHICAL PRESENCE



COMPANY INFORMATION

Board of Directors

From Left to Right

1.	Chairman (Non-Executive)	Manzoor Hussain
2.	Chief Executive Officer	Muhammad Saif Ullah
In alphabetic order:		
3.	Executive Director	Ali Altaf Saleem
4.	Non-Executive Director	Bashir Ahmad
5.	Non-Executive Director	Muhammad Iqbal
6.	Executive Director	Mustapha Altaf Saleem
7.	Non-Executive Director (Independent)	Sana Atif
8.	Non-Executive Director (Independent)	Shoaib Ahmad Khan

Chief Financial Officer
Muhammad Asif

Audit Committee
Chairman
Shoaib Ahmad Khan (Independent)

Member
Bashir Ahmad
Muhammad Iqbal
Sana Atif (Independent)

Company Secretary
Asif Ali

Human Resource & Remuneration Committee
Chairman
Shoaib Ahmad Khan (Independent)

Member
Bashir Ahmad
Manzoor Hussain

MANAGEMENT COMMITTEES

Executive Committee

Muhammad Saif Ullah
Chairman
Muhammad Pervez Akhtar
Mustapha Altaf Saleem

This committee devises long term policies and visions for the Company with the sole objective for providing the best returns to shareholders by optimum allocation of existing resources. The Committee is also responsible for review of Company's operation on ongoing basis, establishing and ensuring adequacy of internal controls and monitoring compliance of key policies.

Business Strategy Committee

Ali Altaf Saleem
Chairman
Muhammad Pervez Akhtar
Muhammad Asif

This Committee is responsible for formulation of business strategy, review of risks and their mitigation plan. Further, the Committee is also responsible for staying abreast of developments and trends in the Industry to assist the Board in planning for future capital intensive investments and growth of the Company.

System and Technology Committee

Muhammad Pervez Akhtar
Chairman
Muhammad Asif
Ibrahim Ahmad Cheema

This committee is responsible for devising the I.T. Strategy within the organization to keep all information systems of the Company updated in a fast changing environment.

SHAREHOLDERS' INFORMATION

Stock Exchange Listing

Shakarganj Limited is a listed company and its shares are traded on the Pakistan Stock Exchange. Daily quotes on the Company's stock can be obtained from leading newspapers. Shakarganj is listed under 'Sugar & Allied Industries'

Public Information

Financial analysts, Stock brokers, interested investors and financial media desiring information about "Shakarganj" should contact
Mr. Asif Ali
at the Company's Office, Jhang.
Tel: (047) 763 1001 - 05
Fax: (047) 763 1011
E-mail: info@shakarganj.pk

Works

Principal Facility

Management House
Toba Road, Jhang, Pakistan
Tel: (047) 763 1001 - 05
Fax: (047) 763 1011
E-mail: info@shakarganj.pk

Satellite Facility

Management House
63 km, Jhang Sargodha Road
Bhone, Pakistan
Tel: (048) 688 9211 - 13
Fax: (047) 763 1011

Website

www.shakarganj.pk
Note: This Report is available on Shakarganj website.

Shareholders' Information

Inquiries concerning lost stock certificates, dividend payment, change of address, verification of transfer deeds and share transfers should be directed to CorpTec Associates (Pvt) Limited, Share Registrar of the Company at Lahore.
Tel: (042) 3517 0336 - 7
Fax: (042) 3517 0338
E-mail: info@corptec.com.pk

Products

- Sugar
- Biofuel
- Yarn
- Tiger Compost

Registered and Principal Office

Executive Floor, IT Tower, 73 E 1 Hali Road, Gulberg III, Lahore, Pakistan
UAN: (042) 111 111 765
Tel: (042) 3578 3801-06
Fax: (042) 3578 3811

Faisalabad Office

Nishatabad, New Lahore Road, Faisalabad, Pakistan
Tel: (041) 875 2810
Fax: (041) 875 2811

Legal Advisor

Masud & Mirza Associates
Siddiqui Bari Kasuri & Co.

Auditors

HLB Ijaz Tabussum & Co.
Chartered Accountants

Bankers

MCB Bank Limited
National Bank of Pakistan
Bank Islami Pakistan Limited

Share Registrar

CorpTec Associates (Pvt) Limited
503-E, Johar Town, Lahore
Tel: (042) 3517 0336 - 7
Fax: (042) 3517 0338
E-mail: info@corptec.com.pk

Annual General Meeting

The 56th Annual General Meeting of Shakarganj Limited will be held on Tuesday, 27 February 2024 at 11:30 a.m. at Executive Floor, IT Tower, 73 E 1 Hali Road, Gulberg III, Lahore and through video link.

COMPANY PROFILE AND GROUP STRUCTURE

Shakarganj Limited was incorporated in Pakistan in 1967 as a Public Limited Company and is listed on the Pakistan Stock Exchange. Shakarganj is a leading manufacturer of food products, biofuel, as well as textiles. We transform renewable crops such as sugarcane and cotton into value added products including refined sugar, biofuel and textiles etc. Our registered office is in Lahore with regional office in Faisalabad. Shakarganj Limited, through its strategic shareholding in Shakarganj Food Products Limited, is also active in production of dairy and fruit products.

Sugar Business

We have two manufacturing facilities, which are both located in District Jhang. We produce different types of sugar comprising pharmaceutical, beverage and commercial grades sugar as well as soft brown sugar, castor and icing sugar, sugar cubes, sachets and retail packs. Our combined crushing capacity is of 16,000 Tons of Cane per Day (TCD) which is extendable to 20,000 TCD.

Biofuel Business

We have six distillation plants of which three are located at our Jhang facility and the remaining three are located at our Bhone facility where various grades of biofuel are produced. Our products include Rectified Ethanol (REN) for industrial and food grades, Anhydrous Ethanol for fuel grade, and Extra Neutral Alcohol (ENA) for pharmaceutical and perfume grades. The combined capacity of our distilleries is 350,000 litres per day.

Textile Business:

This cotton spinning unit produces carded cotton and PC yarn ranging from 10/s to 33/s. The installed capacity is 24,960 spindles for cotton spinning.

Farming & Allied Business:

We have different parcels of agriculture land mainly located in Jhang District near our manufacturing facilities. The main crops include variety Sugarcane, Wheat, Maize, Gram, Fodder and seasonal Vegetables. A dairy farm located at Jhang has also been developed for milking and fattening of cattle. Shakarganj has also developed non-chemicals fertilizers for our grower community. The product as organic fertilizer has been developed using an aerobic decomposition process with addition of standardized microbial culture in filter cake. The product is a rich source of organic matter, with macro and micro nutrients to help improve soil and it is very useful for better growth, yield and quality of all field crops in general and specifically for sugarcane.

Business Vision and Strategy:

Shakarganj's vision is to create the country's leading renewable ingredients business. We aim to achieve this by building a consistent portfolio of distinctive, profitable, high-value solutions in products and services for our customers. Shakarganj is committed to providing long-term value for our shareholders. Our strategy is to build a stronger value added business with a low-cost commodity base. We focus on five key business objectives to deliver consistent growth.

- Serve our Customers:

Delivering excellent customer service is at the core of everything we do. Our aim is to be the partner of choice in our customers' processes and to help them develop more successful consumer products.

- Operate Efficiently and Safely:

We aim to be the lowest-cost and most efficient producer in all our markets. Through our expertise in high-volume process management, our focus is on technical and manufacturing excellence and the efficient use of services such as logistics and utilities. We are continually working to improve operational efficiency and strive to ensure safe and healthy conditions for everyone at our sites.

- Invest in Long Term Assets and Partnerships:

We continually evaluate investment opportunities that would add strategic value by enabling us to enter new markets or add products, technologies and knowledge more efficiently than we could originally. We also aim to grow our business by forming joint ventures and partnerships to enhance the capabilities of our existing product portfolio. Using alliances and joint ventures can be an efficient way to lower our cost of investing in new areas and markets, and will help secure access to new and complementary technology and expertise.

- Invest in Technology and People:

We are investing in our research and development capabilities to help us in developing innovative solutions that meet our customers' product challenges. We are also complementing our own capabilities through business and technology partnerships, and university collaborations. To develop talent, improve leadership and help our employees succeed. We operate various Programmes designed to ensure the right skills at all levels to grow our business.

- Grow the Contribution from Value Added Products:

We are committed to grow the contribution from our value added products. Value added products utilise technology and intellectual property enabling us to obtain a price premium along with sustainable and/or higher margins.

shakarganj®

FOOD PRODUCTS LIMITED

SFPL comprises of three divisions – Dairy, Juice and Pulp & Concentrates. The Dairy and Juice division uses Tetra Pak packages to deliver UHT dairy and beverage products to the local market. The Pulp & Concentrate division produces fruit pulps, concentrates and purees for sale in both the Pakistan and International market. Our aim is to supply premium quality food products to our customers and become one of the leading food companies in Pakistan.

DAIRY & JUICE DIVISION

Shakarganj entered into the dairy business in 2006 with the introduction of its brand "good milk". Since then, it has expanded with a diverse product portfolio in both the dairy and beverage category including UHT white milk, flavoured milk as well as a wide range of juices and nectars. The company has been able to leverage the Shakarganj name in the farming community to establish its milk collection network thereby developing a strong, sustainable and shared value-based supply chain for the business function. The company sells its products throughout the country via a nationwide distribution network.

DAIRY & JUICE PLANT

- Processing and packaging plant located at Jaranwala.
- Machinery from internationally renowned companies such as Tetra Pak.
- Well-equipped, state of the art of laboratory and testing facility at the plant run by a team of technically skilled and experienced staff.
- Research facility for new product development.
- International and domestic quality certifications: HACCP, PSQCA, PFA and HILAL

MILK PROCUREMENT NETWORK

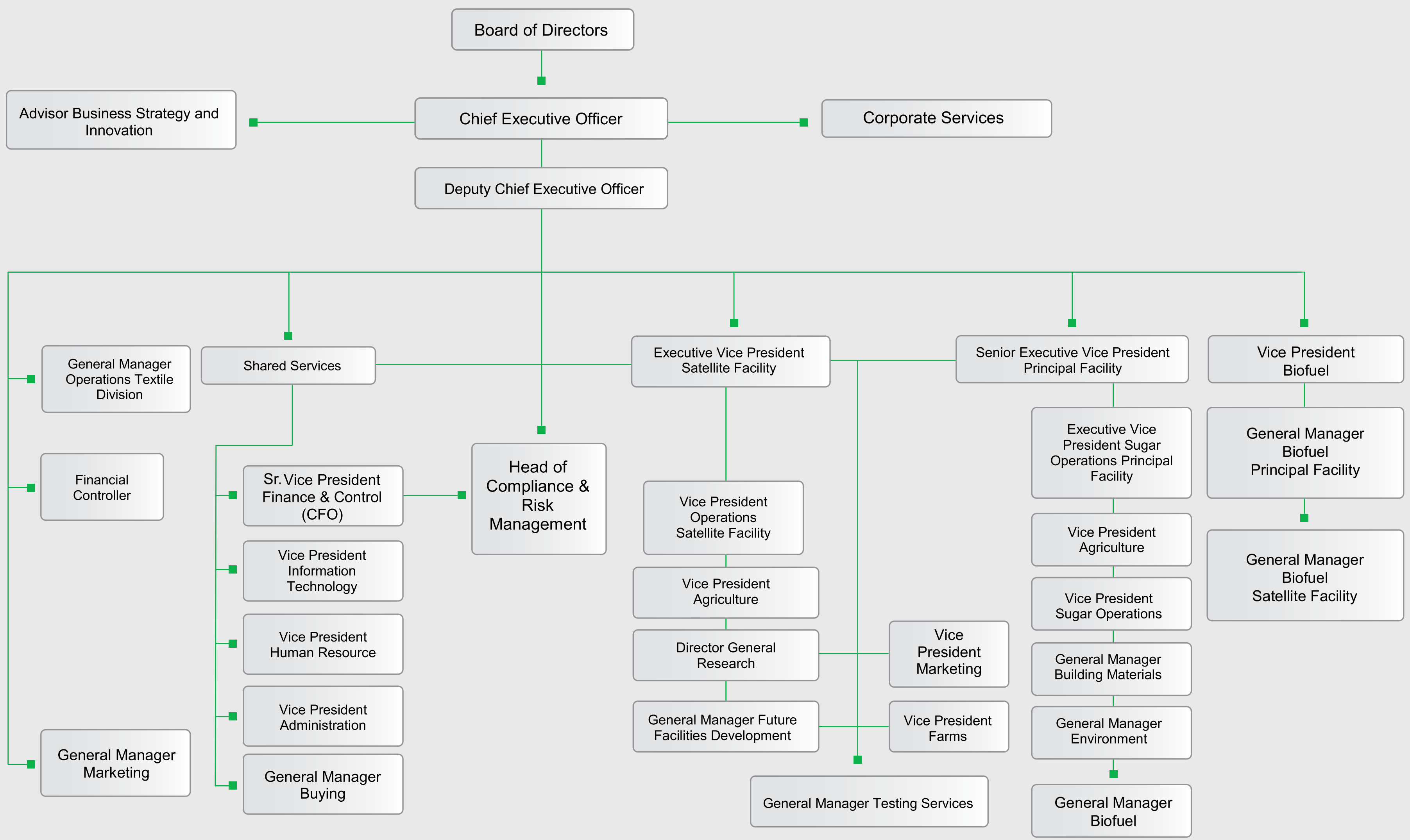
- Well established network of milk collection center at prime locations in Pakistan.
- Collection center run by highly skilled and experienced staff members.
- Quality procurement ensured by well-quipped laboratory and advanced testing facility.
- Advisory services provided by technical team to facilitate higher yield and enhanced milk quality to support the farming community

PULP & CONCENTRATE DIVISION

Shakarganj has significant capabilities regarding the production of fruit pulps and purees. It is one of the leading manufacturers in Pakistan and has a significant volume of exports to Europe, the Middle East, Africa and Far East. Our manufacturing and processing facility is located in the heart of the agricultural and fruit producing region of Pakistan; giving our customers an advantage in terms of product freshness, continuity of fruit supply and reduced 'time to market'.

- Plant is located at Chiniot.
- Two processing lines for production of juice concentrates, puree and pulps.
- Product storage facilities consist of both, a Refrigerated and frozen setup.
- Technically skilled and experienced manpower.
- Well-equipped laboratory and testing facilities ensure effective quality assurance according to international standards.
- International quality certifications: Food Safety System Certification 22000

ORGANIZATIONAL CHART



REVIEW REPORT BY CHAIRMAN

It gives me immense pleasure to present this report to the shareholders of Shakarganj Limited pertaining to the overall performance of the Board and the effectiveness of its role in attaining the Company's aims and objectives.

Shakarganj Limited has implemented a strong governance framework supportive of an effective and prudent management of business matters which is regarded as instrumental in achieving long-term success of the Company.

During the year, the Board Committees continued to work with a great measure of proficiency. The Audit Committee has focused in particular on the management and control of risks associated with the business. At the same time, the Human Resource and Remuneration Committee has ensured that the HR policies regarding performance management, HR staffing, compensation and benefits are market driven, and are properly aligned not only with the Company's performance and shareholders' interests but also with the long-term success of the Company.

The Board as a whole has reviewed the Annual Report and Financial Statements, and is pleased to confirm that in its view the report and financial statements, taken as a whole, are fair, balanced, and understandable.

The Board carries out a review of its effectiveness and performance each year, on a self-assessment basis. The last such review was carried out in January 2024 for the fiscal year 2023. The overall effectiveness of the Board was assessed as satisfactory and areas that required improvement were duly considered and suitable action plans were framed.

The overall assessment was based on an evaluation of the following integral components:

1. Vision, Mission, and Core Values: The Board members are familiar with the current vision, mission, and core values and found them appropriate for the organization.
2. Engagement in strategic planning: The Board has a clear understanding of the stakeholders whom the organization is meant to serve i.e. its shareholders, farmers, customers, employees, vendors, and the community. The Board has the strategic vision of how the organization should be evolving over the next three to five years and has identified key indicators for tracking its progress.
3. Formulation of policies: The Board has established policies that cover all essential areas of board responsibility and operations of the Company.
4. Monitoring the organization's business activities: The Board is knowledgeable about the organization's current business activities including strengths and weaknesses of each major activity, and has an effective process for tracking performance activity-wise as well as area-wise.
5. Adequacy of financial resources management: The Board is knowledgeable about key aspects relating to managing the financial resources of the Company and provides appropriate direction and oversight on a timely basis.
6. Provide effective fiscal oversight: The Board ensures that the budget reflects the priorities established in the annual strategic plan and it complies with regulations governing the audit or independent examination of accounts and considers all recommendations made in the independent auditors' report.
7. Act as a responsible employer: The Board has created necessary policies which ensure that the organization behaves in an equitable and legal manner towards staff, contractors, vendors, and any other individual working on its behalf.
8. Relationship between Board and Staff: Roles and Responsibilities of Board and management staff are clearly defined and understood and climate of mutual trust and respect exists between Board and management.
9. Organization's Public Image: Board members promote a positive image of the organization in the community.
10. Review of CEO performance: The Board assesses the performance of the Chief Executive Officer in a fair and systematic manner and ensures that CEO's pay is properly aligned with the Company's performance, shareholders' interests and the long-term success of the Company.
11. Board Structure and Dynamics: Size and composition of the Board is adequate to govern the Board procedures and the members are actively engaged in the work of the Board. The Board meets frequently enough to adequately discharge its responsibilities.

On an overall basis, I believe that the strategic direction of the Company for the next three years is clear and appropriate despite of the tough macroeconomic situation. Further, the processes adopted in developing and reviewing the overall corporate strategy and achievement of Company's objectives are comprehensive. Here, I would also like to recognize the management and our people for their resolve, perseverance and untiring support in these testing times, they have stood firm with us and continued to deliver despite hardships of last couple of years.

I would also like to thank all the stakeholders for consistent support, and I hope that your patronage of the Company would continue in years to come.

Manzoor Hussain
Chairman

06 February 2024

DIRECTORS' REPORT

Dear Shakarganj Shareholder:

The Directors of Shakarganj Limited ("the Company") have the pleasure in submitting their report together with audited financial statements of the Company for the year ended 30 September 2023.

State of the Company's affairs and Overview of its Business

The Company was incorporated in Pakistan and is listed on the Pakistan Stock Exchange. It is principally engaged in the manufacture, purchase, and sale of sugar, biofuel and yarn (textile). The Company has its principal manufacturing facilities at Jhang and satellite manufacturing facilities at Bhone.

Financial Results

The financial results of the Company are summarised below:

		2023	2022
		Rupees in thousand	
Revenue		9,561,824	12,325,570
Gross (loss) / profit		(322,715)	370,713
Loss from operations		(587,768)	(66,036)
Share of profit from equity accounted investee		87,325	64,196
Loss before taxation		(863,213)	(338,138)
Taxation		316,994	112,836
Loss for the year		(546,219)	(225,302)
Loss per share - basic and diluted	(Rupees)	(4.37)	(1.80)

Overview of the Company's Business

This was second shortest crushing season in the history of Shakarganj which lasted for only 88 days as compared to 145 days in the last year. As reported earlier in our last review, we achieved the historically high sugar recovery of 10.26% at Shakarganj during current season with early closure of the crushing campaign on 02 March 2023 whereas crushing season was started on 05 December 2022. Inspite of very challenging situation, your Company managed to crush 1,019,181 MT of sugarcane as compared to 1,347,651 MT of sugarcane in the corresponding year.

Season started with highest ever sugarcane notified support price in Punjab which was significantly increased every year. This was a big challenge because the sugar price was never fixed rather adversely controlled by Government by taking various measures. Sugarcane was procured at considerably higher price resulting tough competition among the mills. Our Biofuel business has also contributed positively but due to very short season, our molasses procurement campaign was suffered. Our textile business also suffered due to overall situation in the yarn market as the difficult business environments continued in the textile business, therefore, the plant could not be operated during the year.

The Company incurred gross loss of Rs. 322.72 million as compared to gross profit of Rs. 370.71 million during last year. Loss from operations was Rs. 587.77 million compared to loss from operations of Rs. 66.04 million during last year. Company posted loss before tax of Rs. 863.21 million and after-tax loss of Rs. 546.22 million as compared to after tax loss of Rs. 225.30 million in the corresponding year. The Company accounted for its share of profit in equity accounted investment in Shakarganj Food Products Limited amounting to Rs. 87.33 million as compared to profit of Rs. 64.20 million in the previous year.

Principal Risks and Uncertainties Facing

Following are the principal risks and uncertainties currently faced by the Company:

- Higher purchase price of sugarcane as compared to sugar sale price
- Heavy taxation, sales tax rates on finished products
- Lack of irrigation water, reducing the yield of crop & low-capacity utilizations
- Vulnerable to political interests
- Being an agro based industry, inherent risks of natural calamities / conditions
- Increasing cost of production and labour
- Overall inflationary increase in operational expenses
- Environmental concerns and sugar free products
- Further Rupee devaluation will result in cost escalation

Adequacy of Internal Control

The system of internal control of the Company is sound in design and has been effectively implemented and monitored. The Board of Directors is aware of its responsibility with respect to internal controls environment and accordingly has established an efficient system of internal financial controls, for ensuring effective and efficient conduct of operations, safeguarding of Company's assets, compliance with applicable laws and regulations and has a reliable financial reporting system. The outsourced independent internal audit function is in operation and such function regularly appraises and monitors the implementation of financial controls. Audit Committee of the Board, reviews the effectiveness of the internal control framework and financial statements regularly on quarterly basis.

Auditors

The auditors HLB Ijaz Tabussum & Co, Chartered Accountants will retire and have not offered themselves for reappointment. We place our sincere thanks & appreciation for their services. The Board, on recommendation of the Audit Committee, has recommended the appointment of Kreston Hyder Bhimji & Co., Chartered Accountants, as auditors for consideration of members at the forthcoming Annual General Meeting.

Corporate Social Responsibility

We actively seek opportunities to contribute to the communities in which we operate and to improve the environments that sustain us all. Our areas of primary focus are education, health and safety, energy conservation, waste reduction, and community building. During the year Shakarganj contributed around Rs. 15.14 million toward these activities. As a responsible member of the corporate community, Shakarganj always contributes substantially towards the national economy on account of taxes and other government levies. Company's contribution toward federal, provincial and local taxes was Rs. 1,282 million during the year under review.

At Shakarganj, Corporate Social Responsibility (CSR) is a strategic management driven initiative that incorporates our business, environmental, and citizenship activities in a manner that supports our vision and upholds our values. We aim to play a positive role in the communities in which we operate. Our community involvement policy is one of the core components underpinning our ethical behaviour. Our programmes involve building long term relationships with local communities to deliver our shared objective: establishing strong, safe, healthy and educated communities by investing time and resources into projects that directly address local needs. Our Social Action Programme (under Shakarganj Foundation) delivers a variety of social services in our extended community under the banner of "Sukh Char Programme" These services include education, healthcare, promotion of arts, and protection of our cultural heritage.

Our school adoption initiative provides support to 35 local girls' and boys' schools that includes provision of clean drinking water, nutrition supplements, uniforms, maintenance of infrastructure and building additional facilities where required. Provision of Oolala flavoured milk is our regular feature and 232 students have been provided Oolala flavoured milk on a regular basis in two schools. Shakarganj also provides support to the education programme of The Citizens Foundation. To provide backbone support to the education initiative a purpose-built teachers training institute was established at Shakarganj premises as a public service.

Shakarganj funded special incentives for school children including recognition of high achievers in school exams with scholarships and awards, sports competitions for school children, and inter-school handwriting competitions for school children and teachers. Our Healthcare initiative delivers primary medical facilities at the doorsteps of our extended community. Three teams of qualified doctors, paramedical staff, and mobile dispensaries served over 11,920 patients during the year.

We provide support to promising local talent in improving their artistic skills in a structured training programme at the School of Art and Calligraphy. A display centre exhibiting the works of these artists and promotion of cultural heritage is also maintained by Shakarganj at the School. In the year 2022-2023, total 200 students have been passed out in Fashion Designing and Fine Art batches.

Health, Safety, and Environment

As we always aim to be an exemplary corporate citizen, health, safety, and environmental concerns are always among our key focal points. We are committed to providing healthy, safe, and clean conditions for our employees, contractors and visitors. In providing a good working environment there is no higher priority than safety and we target continuous improvement to reduce recordable injury and accident times to zero. Nearly nine hundred and forty-two members of Team Shakarganj have participated in a structured program to obtain professional training and certification in first aid in collaboration with Pakistan Red Crescent Society – Punjab and Rescue 1122. Moreover, about 30 members of Team Shakarganj have participated in Workplace Safety and Decent Work by W.W.F. Preventive action and training and timely response procedures to deal with potential accidents have resulted in minimising recordable injuries and accidents.

Environmental protection issues are always considered on a higher priority than profit concerns. Shakarganj produces all its products from renewable crops and raw materials and does not believe in making profits at the cost of damage to our environment. We proactively fund and support environmental protection activities in our communities in particular and on national level generally. Energy conservation and aiming for 'zero' waste are our key environment friendly policies. Using sugar by-products in our production lines substantially reduces use of fossil fuels and waste disposal problems. Distillery spent-wash is the ultimate waste product in our production process. This is now biologically treated to produce bio-gas as fuel, and water which is safe to use for irrigation. In addition to this we encourage and promote biological pest control, organic farming techniques, and return of all natural nutrients to the soil that are brought with supply of sugarcane to the mills. We strongly support the activities of Worldwide Fund for Nature - Pakistan, run regular training and education programmes for water management and participate in tree plantation campaigns twice every year. Our approach to HSE is apparent in our Mission Zero Agenda that targets zero accidents and work-related illnesses. To effectively implement the mission zero agenda, we empower and encourage our people to play their part. We all have a part to play in keeping our workplaces safe. One of the most effective ways we can do this is by being aware of the risks around us and taking action to address these. That's why we actively encourage all our people to regularly assess their working environments and report any identified risks - as they arise. As a result, we have achieved 2.4 million safe working man hours without lost time injury.

To ensure a safe and healthy work environment, the Company is adapting its health and safety practices in line with the development of the pandemic. Within the Company premises stiff checking is ensured and measures also include categorization of staff essential to be present in office for uninterrupted operations, whereas the other staff is shifted to work-from-home wherever required. Technological developments have made the minimal physical interaction possible by conversion to virtual meetings.

Shakarganj is committed to providing a healthy and safe workplace for all personnel performing their duties on its behalf, in a manner that protects the environment, prevention of pollution, and compliance of applicable legal and other requirements. We remain committed to protecting the physical and mental health of our employees, extending the scope and coverage of occupational health services, and constantly improving our occupational health management system. At Shakarganj, health checks are organised on a regular basis for our employees. In addition, we keep health records of employees for better health management and disease prevention. We also pay close attention to a dedicated health support system and provide special disease checks to ensure the health and safety of our employees. We have also released the comprehensive Emergency Plan for incidents and accidents at Shakarganj, and have established a safety management and risk prevention system for the Company. We organise regular emergency drills to improve the plan, enhance awareness of prevention and self-help of the employees and improve the team's ability to handle emergencies.

Board of Directors & its Committees

The Board of Directors consists of eight members including seven male members and one female member. One of the directors had resigned on 26 September 2023 and another director has resigned subsequent to the year end. Two new directors have been appointed by the Board subsequent to the year end. During the year, four (4) meetings of the Board of Directors, four (4) meetings of the Audit Committee and one (1) meeting of Human Resource and Remuneration Committee were held. Attendance of each director is also given below.

Category	Names of Director	Meetings Attended
Independent Directors	Mr. Shoaib Ahmad Khan Mrs. Sana Atif Outgoing Director Mr. Sheikh Asim Rafiq (Retired on 31 May 2023) Ms. Zahra Ahsan Saleem (Resigned on 26 September 2023)	2 - 2 4
Non-Executive Directors	Mr. Manzoor Hussain (Chairman) Mr. Bashir Ahmad Mr. Muhammad Iqbal Outgoing Director Mr. Khalid Bashir (Retired on 31 May 2023) Mr. Mian Muhammad Anwar (Retired on 31 May 2023) Mr. Javed Anjum (Retired on 31 May 2023) Mr. Sadaqat Hussain (Resigned on 19 December 2023)	2 2 - 2 2 2 2
Executive Directors	Mr. Muhammad Saif Ullah (Chief Executive Officer) Mr. Ali Altaf Saleem (Deputy Chief Executive Officer) Mr. Mustapha Altaf Saleem Outgoing Director Mr. Anjum Muhammad Saleem (Retired on 31 May 2023) Mr. Muhammad Pervez Akhtar (Retired on 31 May 2023)	1 4 2 1 2

The Board has formed committees comprising of members given below:

Name of Committee	Names of Members and Chairman	Meetings Attended
Audit Committee	Mr. Shoaib Ahmad Khan (Chairman) Mr. Bashir Ahmad Mr. Muhammad Iqbal Mrs. Sana Atif Outgoing Director Mr. Sheikh Asim Rafiq (Retired on 31 May 2023) Mr. Khalid Bashir (Retired on 31 May 2023) Mr. Javed Anjum (Retired on 31 May 2023) Ms. Zahra Ahsan Saleem (Resigned on 26 September 2023) Mr. Sadaqat Hussain (Resigned on 19 December 2023)	1 1 - - 3 3 3 4 1
Human Resource and Remuneration Committee	Mr. Shoaib Ahmad Khan (Chairman) Mr. Manzoor Hussain Mr. Bashir Ahmad Outgoing Director Mr. Mian Muhammad Anwar (Retired on 31 May 2023) Mr. Khalid Bashir (Retired on 31 May 2023) Mr. Anjum Muhammad Saleem (Retired on 31 May 2023) Ms. Zahra Ahsan Saleem (Resigned on 26 September 2023)	1 1 - - - - 1

Casual vacancies were filled up as and when occurred on the Board. Subsequent to the Election of Directors, the Board in its 208th meeting held on 01 June 2023 unanimously appointed Mr. Muhammad Saif Ullah as Chief Executive Officer and Mr. Ali Altaf Saleem as Deputy Chief Executive Officer for a period of three years till 31 May 2026.

As per threshold reviewed by the Board of Directors, the heads of all departments of the Company shall be considered as "Executives".

Non-executive and Independent Director's Remuneration

The Board of Directors has approved a 'Directors' Remuneration Policy', the salient features of the approved policy are as follows:

- ➢ No Director shall determine his/her own remuneration.
- ➢ Meeting fee of a Director other than regular paid Chief Executive, Sponsors and or family Directors and full-time working Director(s), shall be amounting to Rs. 20,000 (twenty thousand rupees only) per meeting or as time to time determined by the Board for attending the Board and its Committee meetings.
- ➢ Directors shall also be entitled for all reasonable expenses including travelling, stay and other expenses incurred by them for attending meetings.

Performance Evaluation of Board of Directors and its Committees

Human Resource and Remuneration Committee has assessed the performance of Board of Directors and its Committees based on the established mechanism of self-assessment by the individual Board or Committee members as the case may be. The above mechanism was approved by the Board on the recommendation of Human Resource and Remuneration Committee.

CEO's Performance Evaluation

During the year, the Human Resource and Remuneration Committee of the Board evaluated the performance of the CEO in line with the established performance-based evaluation system. The evaluation was reviewed against the following criteria:

- Leadership
- Policy and Strategy
- People Management
- Business Processes/Excellence
- Governance and Compliance
- Financial Performance
- Impact on Society

Subsequently, on the recommendation of the Committee, the evaluation was approved by the Board after their review.

Pattern of Shareholding and Shares Traded

The pattern of shareholding and additional information thereof is attached with this report. No trade in the shares of the Company was reported / carried out by the directors, executives and their spouses and minor children.

Financial Statements

As required under the accounting and reporting standards as applicable in Pakistan and as per the requirements of Companies Act, 2017 (XIX of 2017), the management is aware of its responsibility for the preparation and fair presentation of the financial statements for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Chief Executive Officer and Chief Financial Officer presented the financial statements, duly endorsed under their respective signatures, for consideration and approval of the Board of Directors and the Board, after consideration and approval, authorised the signing of financial statements for issuance and circulation. The financial statements of the Company have been duly audited and approved by the auditors of the Company, HLB Ijaz Tabussum & Co., Chartered Accountants and their report is attached with the financial statements. The Directors endorse the contents of this annual report and those shall form an integral part of the Directors' Report in terms of Section 227 of the Companies Act, 2017 and the requirements of the Listed Companies (Code of Corporate Governance) Regulations 2017.

Dividend and Carried Forward

The Directors have recommended nil dividend for the year ended 30 September 2023. Moreover, no amount is being carried forward to the general reserve or any other reserve funds account.

Subsequent Events

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which this Balance Sheet relates and the date of the Directors' Report.

Default in Payments, Debt or Loan

The Company recognizes its responsibility of timely repayments of due amount and adhering to the best practices prevails in the industry it is stated that no default in payment of any loan or debts was occurred during the year under review except as disclosed in financial statements.

Change in Nature of Business

No change has been occurred during the financial year relating to the nature of the business of the Company.

Related Party Transactions

All related party transactions are approved by the Board after review and recommendation of Audit Committee. The Company has made detailed disclosures about related party transactions in its financial statements annexed with this annual report. Such disclosure is in line with the requirements of the 4th Schedule to the Companies Act, 2017 and applicable International Financial Reporting Standards.

Financial Review and Going Concern Assumption

Due to short crushing season and reduced crushing, the financials are not so good as expected, however, the Company remains committed to its best efforts to achieve better performance and to improve its liquidity scenario. Various steps were taken to overcome the liquidity crunch as details given in Note 1.3 to the financial statements attached herewith. All out efforts are being made to improve the production and profitability of the Company through efficiency, effectiveness, and reducing production cost. The management considers that the measures explained would result in availability of adequate financial resources for the Company to sustain the continuity of its business for the foreseeable future and thus maintain its going concern status.

Future Outlook

Raw material for our biofuel operations was not available at feasible prices in view of lower crushing and short season. Whereas future outlook of our distilleries operations is always depending on continuous availability of good quality molasses. Due to higher prices and cash flow crunch buying on large scall basis is not expected however, management has plan to try its best efforts to run distilleries operations in next season. Difficult business environments in the textile business due to high cost of raw material, the operations could not be started yet. As mentioned in our last annual report, management is taking steps to overcome the liquidity crunch and we are hopeful that the Company would continue its operations. Inspite of all the challenges, we remain committed to navigating through the challenging times.

Acknowledgment

The Directors wish to express their appreciation to the staff & workers of the Company for their dedication and devotion to the Company. The Directors feel pleasure in expressing appreciation for the continued interest and support of the shareholders, bankers and all other parties involved and hope that the same spirit will prevail in the future as well.

By Order of the Board

06 February 2024	Muhammad Saif Ullah Chief Executive Officer	Ali Altaf Saleem Director

FINANCIAL HIGHLIGHTS

		2023	2022	2021	2020	2019	2018	2017
Profitability & Ratios Area:								
Revenue	(Rs 000)	9,561,824	12,325,570	9,161,763	6,409,384	6,256,738	7,404,243	11,360,157
Cost of Revenue	(Rs 000)	9,884,539	11,954,857	9,751,929	7,081,059	6,283,349	7,047,093	10,704,342
Gross Profit / (Loss)	(Rs 000)	(322,715)	370,713	(590,166)	(671,675)	(26,611)	357,150	655,815
Operating Profit/(Loss)	(Rs 000)	(587,768)	(66,036)	(954,369)	(293,219)	(448,715)	92,871	324,500
Profit / (Loss) Before Tax	(Rs 000)	(863,213)	(338,138)	(1,164,266)	(1,170,655)	(774,470)	158,161	350,012
Profit / (Loss) After Tax	(Rs 000)	(546,219)	(225,302)	(1,387,910)	(997,583)	(728,411)	(14,008)	210,819
Earnings/(Loss) Before Interest, Taxes, Depreciation & Amortization (EBITDA)	(Rs 000)	424,175	1,002,529	(391,280)	(262,493)	172,169	858,121	1,054,322
Gross Profit Ratio	(%)	(3.38)	3.01	(6.44)	(10.48)	(0.43)	4.82	5.77
Net Profit to Sales	(%)	(5.71)	(1.83)	(15.15)	(15.56)	(11.64)	(0.19)	1.86
EBITDA Margin to Sales (net)	(%)	0.04	0.08	(0.04)	(0.04)	0.03	0.12	0.09
Operating Leverage Ratio	(%)	(1,208.50)	(2.89)	(0.16)	35.90	14.43	0.89	1.53
Return on Capital Employed	(%)	(3.65)	(0.01)	(7.91)	(9.53)	(4.54)	4.08	7.66
Liquidity Ratios Area:								
Current Assets	(Rs 000)	2,359,406	1,128,230	1,177,334	1,246,767	992,065	1,485,414	1,599,932
Current Liabilities	(Rs 000)	5,598,340	4,578,725	4,831,358	4,556,514	4,170,356	4,052,096	3,962,002
Net Current Assets / (Liabilities)	(Rs 000)	(3,238,934)	(3,450,495)	(3,654,024)	(3,309,747)	(3,178,291)	(2,566,682)	(2,362,070)
Property, Plant and Equipment	(Rs 000)	14,661,871	15,451,699	16,166,485	9,745,632	10,253,780	10,825,661	8,487,270
Total Assets	(Rs 000)	19,023,521	18,562,005	19,135,860	12,724,256	13,467,068	14,307,132	11,270,752
Current Ratio	(Times)	0.42	0.25	0.24	0.27	0.24	0.37	0.40
Quick / Acid Test Ratio	(Times)	0.12	0.15	0.09	0.12	0.08	0.09	0.10
Cash to Current Liabilities	(%)	1.13	0.67	0.04	0.18	2.01	0.70	0.13
Cash Flow from Operations to Sales	(%)	6.72	7.07	5.13	11.03	17.47	4.07	(10.87)
Activity / Turnover Ratios Area:								
Inventory Turnover Ratio	(Times)	10.28	31.50	18.02	10.80	7.24	6.21	13.42
No. of days in Inventory	(Days)	35.52	11.59	20.26	33.80	50.38	58.82	27.21
Debtor Turnover Ratio	(Times)	94.28	166.71	64.43	54.16	167.95	71.49	125.62
No. of Days in Receivables / Average Collection Period	(Days)	3.87	2.19	5.66	6.74	2.17	5.11	2.91
Total Assets Turnover Ratio	(Times)	0.50	0.66	0.48	0.50	0.46	0.52	1.01
Fixed Assets Turnover Ratio	(Times)	0.65	0.80	0.57	0.66	0.61	0.68	1.34
Investment / Market Ratios Area:								
Earnings / (Loss) Per Share	(Rupees)	(4.37)	(1.80)	(11.10)	(7.98)	(5.83)	0.11	1.80
Dividend Yield Ratio	(%)	-	-	-	-	-	-	1.38
Dividend Payout Ratio	(%)	-	-	-	-	-	-	69.44
Dividend Cover Ratio	Times	-	-	-	-	-	-	1.44
Cash Dividend per Share	(Rupees)	-	-	-	-	-	-	1.25
Market Value Per Share at the Year End	(Rupees)	37.42	45.00	52.50	38.00	34.10	55.00	90.75
- Highest during the Year	(Rupees)	47.85	54.90	60.65	50.00	76.48	90.44	132.25
- Lowest during the Year	(Rupees)	29.00	36.50	29.70	30.17	26.25	54.15	22.50
Breakup Value Per Share Including Surplus on Revaluation of Fixed Assets	(Rupees)	81.37	84.07	89.77	54.87	63.67	69.46	49.09
Capital Structure Ratios Area:								
Shareholders' Equity (Without Surplus on revaluation of property, plant and Equipment)	(Rs 000)	80,582	251,766	(245,421)	770,716	1,601,612	1,857,468	1,416,858
Share Capital	(Rs 000)	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Financial Leverage Ratio	Times	11.14	3.88	(5.51)	2.44	1.37	1.50	1.55
Weighted Average Cost of Debt	(%)	21.13	12.24	8.60	11.42	12.39	7.84	7.63
Long Term Debt : Equity Ratio	:	2.79	0.16	(1.70)	0.60	0.24	0.29	0.37
Interest Cover Ratio	(Times)	(1.38)	(0.01)	(3.23)	(2.46)	(1.34)	1.79	3.06

PRODUCTION DATA

Season	Duration Season (Days)	Cane Crushed (MT)	Raw Sugar Processed (MT)	Sugar Produced (MT)	Recovery (Percent)
2022-23	88	1,019,181		104,540	10.26
2021-22	145	1,347,651		126,112	9.36
2020-21	114	1,006,075		91,837	9.13
2019-20	108	884,724		77,560	8.76
2018-19	83	484,762		49,016	10.13
2017-18	105	669,064		61,634	9.2
2016-17	145	1,543,849		144,460	9.36
2015-16	97	450,804		45,707	10.16
2014-15	129	615,394		59,905	9.73
2013-14	140	1,259,272		112,271	8.92
2012-13	135	1,409,811		133,753	9.49
2011-12	164	1,957,358		173,620	8.87
2010-11	136	1,567,361		141,549	9.01
2009-10	109	913,272		78,540	8.62
2008-09	110	784,056		71,600	9.13
2007-08	174	2,254,712		177,092	7.85
2006-07	155	1,587,929		128,170	8.04
2005-06	170	1,288,548	92,968.40	178,934	6.97
2004-05	160	1,324,510	67,930.40	177,679	8.63
2003-04	159	1,614,539		136,813	8.48
2002-03	196	1,675,370		127,060	7.58
2001-02	195	1,704,812		128,000	7.53
2000-01	161	1,054,992	27,811.59	105,550	7.5
1999-00	144	524,377		39,965	7.63
1998-99	157	1,350,119		101,479	7.51
1997-98	163	1,434,389		112,430	7.85
1996-97	176	1,036,955		79,740	7.69
1995-96	151	763,316		60,285	7.92
1994-95	157	1,057,036		86,075	8.11
1993-94	196	1,203,371		88,117	7.34
1992-93	161	691,839		54,055	7.85
1991-92	174	746,506		63,986	8.57
1990-91	204	866,552		65,537	7.56
1989-90	187	708,632		57,912	8.17
1988-89	170	446,325		36,367	7.7
1987-88	193	698,605		55,726	7.98
1986-87	149	333,601		27,899	8.36
1985-86	113	237,602		20,625	8.66
1984-85	168	441,718		39,523	8.96
1983-84	173	427,169		35,501	8.31
1982-83	173	361,291		29,440	8.16
1981-82	207	466,040		39,474	8.47
1980-81	187	287,723		25,562	8.89
1979-80	112	61,207		5,619	8.95
1978-79	114	107,106		9,267	8.8
1977-78	177	319,960		27,620	8.61
1976-77	166	308,987		26,086	8.45
1975-76	157	246,394		18,865	7.61
1974-75	107	104,069		8,253	8.3

Process Losses (Percent)	Process Molasses (MT)	Biofuel (Litres)	Building Materials (m3)	Yarn (Bags)	Bio Power (MWh)
2.05	43,580	9,933,791			
2.11	59,655	21,572,625			
2.01	48,153	15,199,777		67,915	
2.02	40,229	9,816,686		36,930	
2.22	22,458	15,164,206		102,978	
2.17	31,025	56,728,278		76,107	
2.12	68,086	41,621,230	1,578	75,559	
2.06	19,295	10,201,684		72,776	
2.15	27,270	46,134,870		95,719	10,702
2.07	55,817	76,377,765	6,096	112,846	12,857
2.16	61,450	63,372,339	6,894	146,466	22,865
2.2	93,575	93,796,731	8,789	149,872	27,779
2.02	70,505	68,860,824	5,920	86,209	21,826
2.05	40,901	22,669,768	3,562	149,878	27,292
1.95	33 ,070	33,319,694	1,643	148,426	23,542
2.17	117,742	66,490,739	6,540	149,788	17,714
2.3	79,340	35,093,676	1,834	135,935	
2.54	71,008	27,625,611	1,477	133,580	
2.17	66,190	33,245,964	3,584	119,106	
2.41	81,953	35,408,000	5,141	119,922	
2.36	84,277	26,233,000	1,668	109,096	
2.42	91,890	15,800,156	5,670	96,326	
2.31	53,601	10,469,000	1,571	82,063	
2.2	24,243	4,967,000	497	96,999	
2.23	61,756	5,324,756	1,922	103,555	
2.38	73,477	6,350,000	2,784	85,259	
2.5	54,711	6,015,000		98,406	
2.65	39,397	2,573,700	2,118	83,542	
2.77	53,172	5,460,000	5,299	73,938	
2.65	60,150	5,250,076	4,335	50,880	
2.68	35,980	4,887,020	1,663	115,488	
2.53	37,710	4,525,900	3,360	117,902	
2.59	47,135	3,422,204	643	113,341	
2.31	33,180	3,030,217		97,388	
2.44	22,410				
2.61	38,740	308,494			
2.24	15,060	1,855,809			
2.29	11,470	20,239			
2.38	22,580				
2.4	21,860				
2.44	16,255				
2.48	21,255				
2.42	13,373				
2.25	2,358				
2.27	4,147				
2.44	14,103				
2.67	15,228				
2.68	11,424				
2.75	4,182				

STATEMENT OF COMPLIANCE

With Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company : SHAKARGANJ LIMITED
Year Ended : 30 September 2023

Shakarganj Limited (the company) has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) in the following manner:

1. The total number of directors are eight as per the following:
a. Male : Seven
b. Female : One
2. The composition of the Board of Directors (the Board) is as follows

Category	Names
Independent Directors*	Mr. Shoaib Ahmad Khan Mrs. Sana Atif (female) **
Executive Directors***	Mr. Muhammad Saif Ullah (Chief Executive Officer) Mr. Ali Altaf Saleem (Deputy Chief Executive Officer) Mr. Mustapha Altaf Saleem
Non-Executive Directors	Mr. Manzoor Hussain (Chairman) Mr. Bashir Ahmad Mr. Muhammad Iqbal ****

*The company could not round up independent directors' fraction due to challenges in inducting further independent directors. The company will strive to fill this gap at the earliest.

** Ms. Zahra Ahsan Saleem has resigned with effect from 26 September 2023. Subsequently appointment of Mrs. Sana Atif has been made on 22 December 2023.

*** The Company has rounded up as one the fraction contained in one-third number for executive directors as per company requirements.

**** Mr. Sadaqat Hussain has resigned with effect from 19 December 2023. Subsequently appointment of Mr. Muhammad Iqbal has been made on 22 December 2023.

3. Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this company.

4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations.

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

8. The Board of Directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. The Board has already arranged Directors' Training program for the following:

    1. Mr. Ali Altaf Saleem
    2. Mr. Shoaib Ahmad Khan

Moreover, our following six directors are required and will acquire Directors' Training Program within a period of one year from the date of appointment as a director on the board:

1. Mr. Bashir Ahmad
2. Mr. Manzoor Hussain
3. Mr. Muhammad Saif Ullah
4. Mr. Mustapha Altaf Saleem
5. Mr. Muhammad Iqbal
6. Mrs. Sana Atif

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.

12. The Board has formed committees comprising of members given below:

a) Audit Committee

Mr. Shoaib Ahmad Khan	(Chairman)
Mr. Bashir Ahmad	(Member)
Mr. Muhammad Iqbal	(Member)
Mrs. Sana Atif	(Member)

b) HR and Remuneration Committee

Mr. Shoaib Ahmad Khan	(Chairman)
Mr. Manzoor Hussain	(Member)
Mr. Bashir Ahmad	(Member)

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings of the aforesaid committees were as per following:

a) Audit Committee: Four meetings during the financial year ended 30 September 2023.

b) HR and Remuneration Committee: One meeting was held during the financial year ended 30 September 2023.

15. The Board has set up an effective outsourced internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company secretary or Director of the company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with and all other requirements of the Regulations have been complied with.

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Non-Mandatory Requirement	Reg. No.	Explanation
Directors' training It is encouraged that by 30 June 2022, all directors on the Board have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	19(1)	Newly appointed / elected directors will acquire Directors' Training Program within a period of one year from the date of their respective appointment.
Nomination Committee: The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29(1)	The Board has not constituted a separate Nomination Committee and currently functions are being performed by HR & R Committee.
Risk Management Committee: The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	30(1)	The Board has not constituted separate Risk Management Committee and currently functions are being performed by the Board.

Manzoor Hussain
Chairman

06 February 2024

IJAZ TABUSSUM & CO.
Chartered Accountants

Independent Auditor's Review Report

To the members of Shakarganj Limited

Review Report to the members on the Statement of Compliance contained Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Shakarganj Limited (the Company) for the year ended 30 September 2023 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

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

HLB Ijaz Tabussum & Co

Islamabad
Date: 15 February 2024
UDIN: CR202310415mFhSON4wg

HLB Ijaz Tabussum & Co.
Chartered Accountants
Engagement Partner
Mr. Ijaz Akber-FCA

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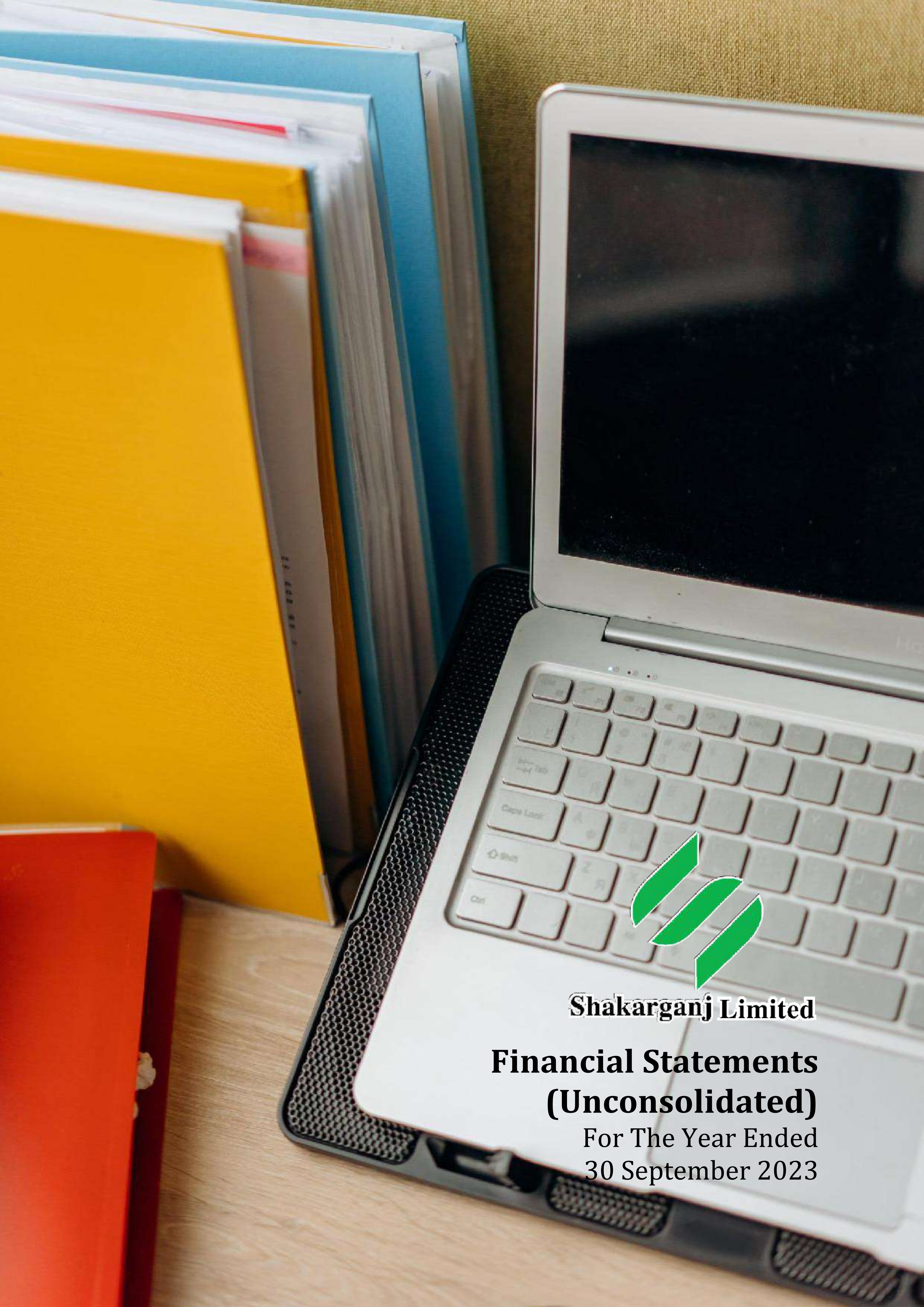

Shakarganj Limited

Financial Statements (Unconsolidated)

For The Year Ended
30 September 2023

INDEPENDENT AUDITOR'S REPORT

To the members of Shakarganj Limited

Report on the Audit of the Financial Statements

Adverse Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matter as described in the Basis for Adverse Opinion section of our report, the statement of financial position, the statement of profit or loss and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof do not conform with the accounting and reporting standards as applicable in Pakistan and do not give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively do not give a true and fair view of the state of the Company's affairs as at 30 September 2023 and of the profit or loss, the comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion

The Company has suffered loss after taxation of Rs. 546.22 million during the current year and has accumulated losses of Rs. 2,797.84 million as at the reporting date. The current liabilities of the Company exceeded its current assets by Rs. 3,238.93 million. The Company has overdue statutory obligations. The textile segment of the Company remained closed during the whole year. The management of the Company has firmed up a turnaround plan based on disposal of the Bhone Unit of the Company which includes Sugar and Biofuel divisions. However, we noted that certain shareholders of the Company have filed petitions in Sindh High Court, Karachi and Lahore High Court, Lahore and obtained stay on 29 November 2021 and 25 February 2022 respectively from the respective Courts regarding the approval of disposal of certain agricultural land of the Company. As the going concern assumption used in preparation of the financial statements is dependent upon roll out of the aforesaid turnaround plan and whose roll out requires prior approval of shareholders of the Company in their general meeting and such approval of shareholders and disposal of the Bhone Unit is unlikely in current litigation scenario, hence this situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not adequately disclose this fact.

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

Key Audit Matters

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

In addition to the matters described in Basis of Adverse Opinion section of our report, we have determined the matters described below to be the key audit matters to communicate in our report.

S.No.	Key audit matters	How the matters were addressed in our audit
1.	**Contingencies** As disclosed in Note 12 to the accompanying financial statements, the Company has contingent liabilities in respect of various matters, which are pending adjudication before respective authorities and courts of law. Management has engaged independent lawyers and legal advisors on these matters. Accounting for and disclosures of contingencies is complex and a matter of significance in our audit because judgments and estimates may be required against such contingencies in accordance with applicable financial reporting standards, in relation to the interpretation of laws, statutory rules and regulations, and the probability of outcome and financial impacts, if any, on the Company for disclosure and recognition and measurement of any provisions. Due to the significance of the amounts involved, uncertainties regarding the outcome of certain matters, and the utilization of substantial management judgments and estimates to assess the same, including the associated financial impacts, we have identified these as a key audit matter. For further information on contingencies, refer to the following: - Summary of significant accounting policies, Contingencies (Note 2.1(c) to the financial statements). - Contingencies (Note 12) to the financial statements.	Our audit procedures among others included obtaining an understanding of the process and controls on this area relevant to our audit. Further, we have: • Obtained the letter received from the authorities and reviewed to understand the basis of claims and details of the pending matters. The same was discussed with the Company's management. • Reviewed the correspondence of the Company with the relevant authorities, tax and legal advisors, including judgments or orders passed by the competent authorities, to track the progress of the claim up to date the auditor's report is issued. • Obtained and reviewed confirmations from the Company's external tax and legal advisors for their views on the probable outcome of the open tax assessments and other contingencies. • Discussed with in house legal department personnel of the company, remit and scope of the legislation and to assess reasonableness of management's conclusions on such pending matters. • Reviewed and evaluated the adequacy of disclosures made in respect of such contingencies in notes to financial statements, to conclude as to whether the disclosure is sufficient for compliance with IAS-37 "Provisions, Contingent Liabilities and Contingent Assets".

2.	Revenue Recognition The Company recognized revenue of Rs. 9,561.82 million for the year ended 30 September 2023. We have designated the recognition of revenue as a key audit matter due to its pivotal role as a critical success factor for the Company and is also a key performance indicator. The inherent risk associated with revenue centers around the potential for misstatement to align with expectations or targets. For further information on revenue recognition, refer to the following: - Summary of significant accounting policies, Revenue from contracts with customers (Note 2.1 (c) and Note 2.2 to the financial statements). - Revenue from contracts with customers (Note 24 to the financial statements).	Our procedures included, but were not limited to: • We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue. • Discussed with appropriate client's personnel the accounting policies stated and followed with respect to revenue recognition and considered the appropriateness of accounting policies, accounting treatment and adequacy of disclosures in the financial statements as per IFRS-15 "Revenue from Contracts with Customers". • We compared a sample of revenue transactions recorded during the year and close to the year end with sales orders, sales invoices, delivery documents and other relevant underlying documents (3-way matching), to determine whether revenue was properly authorized and recorded in the appropriate accounting period. • Reviewed significant sales returns and credit memos issued during the period as well as subsequent to the balance sheet date to determine whether they were properly authorized and recorded in the appropriate accounting period.

3.	EXISTENCE AND VALUATION OF STOCK IN TRADE
	
	Refer Note 18 to the financial statements. The stock in trade balances constitutes 8% of the total assets of the Company. The cost of finished goods is determined Rs. 733.05 million.
	
	The company adheres to a valuation policy for stock-in-trade, valuing it at the lower of cost or net realizable value. The assessment of stock-in-trade involves substantial management judgment to determine the appropriate costing basis.
	
	Since inventory constitutes a material amount, and cast physical verification challenges, for that the auditor needs to assess the risk of fraud in relation to existence of inventory. The material impact on financial statements necessitates a thorough evaluation to detect potential misstatements, ensuring accurate and reliable reporting.
		Our procedures included, but were not limited to:
		
		• Evaluated and tested controls over:
		  • Inventory count procedures
		  • Updates to the perpetual inventory records
		  • Updates to component costs
		  • The interface between inventory and cost accounting systems
		
		• For a sample of manufactured items obtained cost sheets and confirmed:
		  • Raw materials costs to recent purchased invoices
		  • Labor costs to timesheets or wage records
		  • Re-performed calculations
		  • Vouched labor costs to payroll
		  • Overheads allocated are of a product's nature.

	Given the material importance of stock-in-trade, the inherent complexities in its valuation, verification of existence, and the substantial reliance on management judgment and estimation in applying costing methodologies, we identified it as a key audit matter.	Verified the existence of inventory by examining the supporting documentations i.e. Goods received notes, inventory transferred records, and by attending the physical inventory count. Assessed the adequacy of disclosures in the financial statements to be in accordance with the IAS-2 "Inventories".

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

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact.

When we read the annual report, if we conclude that there is material misstatement therein we are required to communicate the matter to those charged with governance and report the same to the shareholders of the Company.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) except for the matters described in Basis for Adverse Opinion section, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made and expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Other Matter

The financial statements of the Company for the year ended 30 September 2022, were audited by another firm of chartered accountants who expressed an adverse opinion on those financial statements on 01 February 2023. The basis of adverse opinion was:

> *"The Company has suffered loss after taxation of Rs. 225.30 million during the current year and has accumulated losses of Rs. 3,266.42 million as at the reporting date. The current liabilities of the Company exceeded its current assets by Rs. 3,450.50 million. The Company has overdue statutory obligations. The textile segment of the Company remained closed during the whole year. The management of the Company has firmed up a turnaround plan based on disposal of the Bhone Unit of the Company which includes Sugar and Biofuel divisions. However, we noted that certain shareholders of the Company have filed petitions in Sindh High Court, Karachi and Lahore High Court, Lahore and obtained stay on 29 November 2021 and 25 February 2022 respectively from the respective Courts regarding the approval of disposal of certain agricultural land of the Company. As the going concern assumption used in preparation of the financial statements is dependent upon roll out of the aforesaid turnaround plan and whose roll out requires prior approval of shareholders of the Company in their general meeting and such approval of shareholders and disposal of the Bhone Unit is unlikely in current litigation scenario, hence this situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not adequately disclose this fact."*

The engagement partner on the audit resulting in this independent auditor's report is Mr. Ijaz Akber-FCA.

HLB Ijaz Tabussum & Co

Islamabad
Date: 15 February 2024
UDIN: AR202310415WXP9gxpja

HLB Ijaz Tabussum & Co.
Chartered Accountants

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023

	NOTE	2023	2022
		Rupees in thousand	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
150 000 000 (2022: 150 000 000) ordinary shares of Rs. 10 each		1,500,000	1,500,000
50 000 000 (2022: 50 000 000) preference shares of Rs. 10 each		500,000	500,000
		2,000,000	2,000,000
Issued, subscribed and paid up share capital	3	1,250,000	1,250,000
Reserves			
Capital reserves			
Surplus on revaluation of property, plant and equipment - net of deferred income tax	4	10,091,018	10,256,630
Other capital reserves	4	1,628,418	1,751,879
		11,719,436	12,008,509
Revenue reserve - General		-	516,306
		11,719,436	12,524,815
Accumulated loss		(2,797,836)	(3,266,419)
Total equity		10,171,600	10,508,396
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	5	185,294	-
Employees' retirement benefits	6	727,348	421,960
Deferred income tax liability	7	2,340,939	3,052,924
		3,253,581	3,474,884
CURRENT LIABILITIES			
Trade and other payables	8	4,791,983	3,409,852
Short term borrowings	9	672,500	935,000
Accrued mark-up	10	76,806	52,735
Current portion of non-current liabilities	5	39,706	41,413
Unclaimed dividend		1,916	1,916
Provision for taxation	11	15,429	137,809
		5,598,340	4,578,725
TOTAL LIABILITIES		8,851,921	8,053,609
CONTINGENCIES AND COMMITMENTS	12		
TOTAL EQUITY AND LIABILITIES		19,023,521	18,562,005

The annexed notes from 1 to 47 form an integral part of these financial statements.

Chief Executive Officer

	NOTE	2023	2022
		Rupees in thousand	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	13	14,661,871	15,451,699
Biological assets	14	28,889	30,204
Long term investments	15	1,937,220	1,915,737
Long term advances and deposits	16	36,135	36,135
		16,664,115	17,433,775
CURRENT ASSETS			
Biological assets	14	1,632	2,881
Stores, spare parts and loose tools	17	91,429	52,018
Stock-in-trade	18	1,485,204	295,242
Trade debts	19	137,753	65,085
Loans and advances	20	181,080	269,946
Prepayments and other receivables	21	308,639	322,171
Cash and bank balances	22	63,421	30,639
		2,269,158	1,037,982
Non-current assets held for sale	23	90,248	90,248
		2,359,406	1,128,230
TOTAL ASSETS		19,023,521	18,562,005

Director

Chief Financial Officer

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	NOTE	2023 Rupees in thousand	2022
Revenue from contracts with customers	24	9,561,824	12,325,570
Cost of revenue	25	(9,884,539)	(11,954,857)
Gross (loss) / profit		(322,715)	370,713
Distribution cost	26	(105,743)	(184,194)
Administrative expenses	27	(400,333)	(378,003)
Other expenses	28	(106,802)	(19,817)
Other income	29	347,825	145,265
Loss from operations		(587,768)	(66,036)
Finance cost	30	(362,770)	(336,298)
Share of profit from equity accounted investee	15	87,325	64,196
Loss before taxation		(863,213)	(338,138)
Taxation	31	316,994	112,836
Loss after taxation		(546,219)	(225,302)
Loss per share - basic and diluted (rupees)	32	(4.37)	(1.80)

The annexed notes from 1 to 47 form an integral part of these financial statements.

Chief Executive Officer

Director

Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	NOTE	2023	2022
		Rupees in thousand	
LOSS AFTER TAXATION		(546,219)	(225,302)
OTHER COMPREHENSIVE (LOSS) / INCOME			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit obligations	6.1.4/6.2.4	(206,961)	(161,928)
Related deferred income tax liability		49,628	45,608
		(157,333)	(116,320)
Deficit arising on remeasurement of investments at fair value through other comprehensive income	4.3	(2,198)	(3,323)
Deferred income tax relating to investments at fair value through other comprehensive income	4.3	1,871	1,509
		(327)	(1,814)
Share of other comprehensive (loss) / income of equity accounted investee		(63,644)	128,923
		(221,304)	10,789
Items that may be reclassified subsequently to statement of profit or loss		-	-
Other comprehensive income for the year - net of deferred income tax		(221,304)	10,789
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(767,523)	(214,513)

The annexed notes from 1 to 47 form an integral part of these financial statements.

Chief Executive Officer	Director	Chief Financial Officer

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

Rupees in thousand

	SHARE CAPITAL	RESERVES											ACCUMU -LATED LOSS	TOTAL EQUITY
		CAPITAL RESERVES						REVENUE RESERVES				TOTAL		
		Premium on issue of right shares	Share in capital reserves of equity accounted investee	Fair value reserve of investments at fair value through other comprehensive income	Difference of capital under scheme of arrangement of merger	Surplus on revaluation of property, plant and equipment - net of deferred income tax	Sub total	General	Dividend equalization	Equity investment market value equalization	Sub total			
Balance as at 01 October 2021	1,250,000	1,056,373	448,810	(11,021)	155,930	11,466,335	13,116,427	516,306	-	-	516,306	13,632,733	(3,661,819)	11,220,914
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	-	(607,168)	(607,168)	-	-	-	-	(607,168)	607,168	-
Adjustment of deferred income tax liability due to re-assessment at year end	-	-	-	-	-	(486,373)	(486,373)	-	-	-	-	(486,373)	-	(486,373)
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment - net of deferred income tax	-	-	-	-	-	(116,164)	(116,164)	-	-	-	-	(116,164)	116,164	-
Incremental depreciation of property, plant and equipment of equity accounted investee - net of deferred	-	-	(22,293)	-	-	-	(22,293)	-	-	-	-	(22,293)	22,293	-
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment of equity accounted investee - net of deferred	-	-	(7,803)	-	-	-	(7,803)	-	-	-	-	(7,803)	7,803	-
Early settlement of convertible loan of equity accounted investee	-	-	-	-	-	-	-	-	-	-	-	- -	(11,632)	(11,632)
Loss after taxation for the year	-	-	-	-	-	-	-	-	-	-	-	-	(225,302)	(225,302)
Other comprehensive income for the year	-	-	133,697	(1,814)	-	-	131,883	-	-	-	-	131,883	(121,094)	10,789
Total comprehensive loss for the year	-	-	133,697	(1,814)	-	-	131,883	-	-	-	-	131,883	(346,396)	(214,513)
Balance as at 30 September 2022	1,250,000	1,056,373	552,411	(12,835)	155,930	10,256,630	12,008,509	516,306	-	-	516,306	12,524,815	(3,266,419)	10,508,396
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	-	(592,278)	(592,278)	-	-	-	-	(592,278)	592,278	-
Adjustment of deferred income tax liability due to re-assessment at year end	-	-		-	-	430,727	430,727	-	-	-	-	430,727	-	430,727
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment - net of deferred income tax	-	-		-	-	(4,061)	(4,061)	-	-	-	-	(4,061)	4,061	-
Incremental depreciation of property, plant and equipment of equity accounted investee - net of deferred	-	-	(21,692)	-	-	-	(21,692)	-	-	-	-	(21,692)	21,692	-
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment of equity accounted investee - net of deferred	-	-	(26,016)	-	-	-	(26,016)	-	-	-	-	(26,016)	26,016	-
Transfer from general reserve to retained earnings	-	-	-	-	-	-	-	(516,306)	-	-	(516,306)	(516,306)	516,306	-
Loss after taxation for the year	-	-	-	-	-	-	-	-	-	-	-	-	(546,219)	(546,219)
Other comprehensive income for the year	-	-	(75,426)	(327)	-	-	(75,753)	-	-	-	-	(75,753)	(145,551)	(221,304)
Total comprehensive loss for the year	-	-	(75,426)	(327)	-	-	(75,753)	-	-	-	-	(75,753)	(691,770)	(767,523)
Balance as at 30 September 2023	1,250,000	1,056,373	429,277	(13,162)	155,930	10,091,018	11,719,436	-	-	-	-	11,719,436	(2,797,836)	10,171,600

The annexed notes from 1 to 47 form an integral part of these financial statements.

Chief Executive Officer

Director

Chief Financial Officer

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	NOTE	2023	2022
		Rupees in thousand	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	33	642,611	871,301
Finance cost paid		(338,699)	(333,254)
Income tax paid		(35,146)	(84,274)
Employees' retirement benefits paid		(26,217)	(25,292)
Net cash generated from operating activities		242,549	428,481
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(141,837)	(244,041)
Proceeds from sale of property, plant and equipment		10,983	45,248
Proceeds from sale of non-current assets held for sale		-	174,599
Net cash used in investing activities		(130,854)	(24,194)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(41,413)	(375,525)
Proceeds from long term financing		225,000	-
Short term borrowings - net		(262,500)	-
Dividend paid		-	(28)
Net cash used in financing activities		(78,913)	(375,553)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		32,782	28,734
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		30,639	1,905
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	22	63,421	30,639

The annexed notes from 1 to 47 form an integral part of these financial statements.

Chief Executive Officer

Director

Chief Financial Officer

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

1. THE COMPANY AND ITS OPERATIONS

Shakarganj Limited (the Company) is a public limited company incorporated on 20 September 1967 in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. It is principally engaged in manufacture, purchase and sale of sugar, biofuel and yarn. The Company has its principal manufacturing facilities at Jhang and satellite manufacturing facilities at Bhone. The registered office of the Company is situated at E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg-III, Lahore.

1.1 Geographical locations and addresses of all business units of the Company except for the registered office are as follows:

Manufacturing units and offices	Address
Jhang Unit (Sugar, biofuel and textile)	5 KM Toba Tek Singh Road, Jhang
Bhone Unit (Sugar and biofuel)	63 KM Jhang - Sargodha Road, Bhone, Tehsil and District Jhang
Liaison Office	Nishatabad, Chak Jhumra Road, Faisalabad

1.2 These financial statements are the separate financial statements of the Company. Consolidated financial statements are prepared separately. Detail of the Company's investment in subsidiary as equity accounted investee is stated in Note 15 to these financial statements.

1.3 Going concern assumption

The Company has suffered loss after taxation of Rs. 546.22 million and its accumulated losses are of Rs. 2,797.84 million as at 30 September 2023. The Company has transferred the General Revenue Reserves to its accumulated losses in this year of Rs. 516.31 million. The current liabilities of the Company exceeded its current assets by Rs. 3,238.93 million. Moreover, the Company has overdue statutory obligations. Furthermore Textile segment of the Company remained closed during the whole year. Certain shareholders of the Company have applied to Sindh High Court, Karachi and Lahore High Court, Lahore and obtained stay on 29 November 2021 and 25 February 2022 respectively from the respective courts regarding the approval of disposal of certain agricultural land of the Company. These factors indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, these financial statements have been prepared on going concern basis due to following reasons:

- The Company is making arrangements to sell its agriculture land having market value of Rs. 755.55 million. For this purpose, approval of shareholders has been obtained in Annual General Meeting of the Company held on 28 February 2022 subject to further orders of Lahore High Court, Lahore and Sindh High Court, Karachi along with no objection from lenders. The proceeds through disposal of land will be utilized by the Company to pay to sugarcane growers and to settle the other liabilities of the Company while the remaining proceeds will be utilized for up gradation of plant and machinery of textile and sugar divisions at Jhang.

- The management of the Company has firmed up a turnaround plan based on disposal of the Bhone Unit of the Company which includes Sugar and Biofuel divisions. Book value of freehold land, building and plant and machinery as at 30 September 2023 is Rs. 7.64 billion. Price discovery by the management for the whole Bhone Unit of the Company including related licenses / rights when built in the future plan results in debt free business, surplus funds and profits for the Company. The management has planned to seek required approvals for roll out of the turnaround plan before the end of financial year 30 September 2024.

- One of the largest shareholders of the Company has affirmed its commitment to fully financially support the Company, in case of any need.

- The Company is in the process of installing the falling film evaporators. Falling film evaporators are alternative to Robert type evaporators and help to improve the optimization of the evaporator's station and energy efficiency of the plant. The percentage of steam's usage will be reduced by 9%. It would also increase the recovery ratio accordingly.

- The Company remains committed to its best efforts to improve liquidity position. The financial projections of the Company show improvements in cash generation and profits. The management considers that the measures as explained above would result in availability of adequate financial resources for the Company to sustain the continuity of its business for the foreseeable future and thus maintain its going concern status. Accordingly, these financial statements have been prepared on a going concern basis which assumes that the Company will continue to operate its business, realize its assets, and discharge its liabilities, in the normal course of business.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

2.1 Basis of preparation

a) Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

b) Accounting convention

These financial statements have been prepared under the historical cost convention except as otherwise stated in the respective accounting policies.

c) Critical accounting estimates and judgments

The preparation of these financial statements in conformity with the approved accounting and reporting standards, as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates underlying the assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about the judgments made by the management in the application of accounting policies, that have the most significant affect on the amounts recognized in these financial statements, assumptions and estimation uncertainties with significant risk of material adjustment to the carrying amount of assets and liabilities in the next year are as follows:

Useful lives, patterns of economic benefits and impairments

The estimates for revalued amounts of different classes of property, plant and equipment are based on valuation performed by external professional valuer and recommendations of technical teams of the Company. The said recommendations also include estimates with respect to residual values and depreciable lives. Further, the Company reviews the value of the assets for possible impairment on an annual basis. Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the judgements of the management of the Company. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

Inventories

Net realizable value of inventories is determined with reference to currently prevailing selling prices less estimated expenditure to make sales. Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions.

Taxation

In making the estimates for income tax currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on the tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date. Deferred income tax assets are recognized for deductible temporary differences only if the Company considers it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgment. It is based on the lifetime expected credit loss, based on the Company's experience of actual credit loss in past years.

Revenue from contracts with customers involving sale of goods

When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Provision for obsolescence of stores, spare parts and loose tools

The Company reviews the carrying amount of stores, spare parts and loose tools on regular basis and provision for obsolescence is made if there is any change in usage pattern and physical form of stores, spare parts and loose tools.

Employees' retirement benefits

Certain actuarial assumptions have been adopted as disclosed in Note 6 to the financial statements for determination of present value of defined benefit obligations. Changes in these assumptions in future years may affect the liability under these schemes in those years.

Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

Contingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on the judgment and the advice of the legal and tax advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of financial position date.

d) Standards, Interpretations and amendments to Published approved accounting standards that are effective but not relevant:

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

• Amendments to IFRS-3 'Business Combinations'-Reference to the Conceptual Framework
• Amendments to IAS 16 'Property, Plant and Equipment'-Proceeds before intended use.
• Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'-Onerous Contracts-Cost of fulfilling a contract.

• Annual Improvements to IFRS Standards 2018-2020 Cycle (related to IFRS 9, IFRS 16 and IAS 41).

e) Standards, interpretations and amendments to published approved accounting standards that are not yet effective :

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

	Effective from accounting period beginning on or after:
-Amendments to IAS 1 'Presentation of Financial Statements'-Disclosure of accounting policies	01 January 2024
-Amendments to IAS 8 'Accounting Policies, Change in Accounting Estimates and Errors'-Definition of accounting estimates	01 January 2023
-Amendments to IAS 12 'Income taxes'-deferred tax related to assets and liabilities arising from a single transaction	01 January 2023

-Amendments to IAS 7 'Statement of Cash flows'-Supplier Finance agreements	01 January 2024
-Amendments to IAS 1 'Presentation of Financial Statements'-Non current liabilities with covenants	01 January 2024
-Amendments to IFRS 16 'Leases'-Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	01 January 2024
-Amendments to IFRS 7 'Financial Instruments ': Disclosures-Supplier finance arrangements	01 January 2024

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS-1 First Time Adoption of International Financial Reporting Standards
IFRS-17 Insurance Contracts

The above amendments and improvements are likely to have no significant impact on the financial statements.

2.2 Revenue from contracts with customers

i) Revenue recognition

Sale of goods

Revenue from the sale of goods is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Interest

Interest income is recognized as interest accrues using the effective interest method. This is a method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rent

Revenue is recognized when rent is accrued.

Dividend

Dividend on equity investments is recognized when right to receive the dividend is established.

Other revenue

Other revenue is recognized when it is received or when the right to receive payment is established.

ii) Contract assets

Contract assets arise when the Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are treated as financial assets for impairment purposes.

iii) Contract liabilities

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company satisfies its performance obligations under the contract.

iv) Refund liabilities

Refund liabilities are recognized where the Company receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Company does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances.

v) Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

2.3 Financial Instruments

i) Recognition, classification and measurement of financial instruments

Investments and other financial assets

a) Classification

The Company classifies its financial assets in the following measurement categories:

• those to be measured subsequently at fair value through other comprehensive income, and
• those to be measured at amortized cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following measurement category:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on de-recognition is recognized directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses.

Equity instruments

The Company subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3). The Company classifies its equity instruments into following measurement category:

Fair Value Through Other Comprehensive Income (FVTOCI)

Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value. Dividend from such investments is recognized in statement of profit or loss as other income when the Company's right to receive payments is established.

Financial liabilities

Classification and measurement

Financial liabilities are classified at amortized cost. These are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss.

iii) Impairment of financial assets

The Company recognizes loss allowances for ECLs on financial assets measured at amortized cost. The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

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

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

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

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

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

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the debtor will enter bankruptcy or other financial reorganization.

iv) De-recognition of financial assets and financial liabilities

Financial assets

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such de-recognized financial asset that is created or retained by the Company is recognized as a separate asset or liability.

Financial liabilities

The Company de-recognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expired. Any gain or loss on de-recognition is included in profit or loss.

v) Offsetting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements when there is a legal enforceable right to set off and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

2.4 Taxation

Current

The current tax charge as calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is charged or credited in the statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

2.5 Property, plant and equipment

Property, plant and equipment except freehold land, building, plant and machinery are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at revalued amount less any identified impairment loss. Building, plant and machinery are stated at revalued amount less accumulated depreciation and any identified impairment loss. Cost of the property, plant and equipment consists of historical cost pertaining to erection / construction period of qualifying assets and other directly attributable costs of bringing the asset to working condition.

Increases in the carrying amount arising on revaluation of property, plant and equipment are credited to surplus on revaluation of property, plant and equipment. Decreases that offset previous increases of the same assets are charged against this surplus, all other decreases are charged to income. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss, and depreciation based on the asset's original cost is transferred from 'surplus on revaluation of property, plant and equipment' to 'accumulated loss'. All transfers to / from surplus on revaluation of property, plant and equipment are net of applicable deferred income tax. Valuations are performed frequently enough to ensure that the fair value of the revalued assets does not differ materially from its carrying amount.

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

Capital work-in-progress is stated at cost less any recognized impairment loss. Cost includes expenditure and advances directly attributable to the acquisition of the asset and those incurred during installation and construction period. These are transferred to relevant property, plant and equipment as and when assets are available for use.

Depreciation

Depreciation on property, plant and equipment is charged to statement of statement of profit or loss on the reducing balance method so as to write off the cost of an asset over its estimated useful life at the annual rates given in Note 13.1 after taking into account the impact of their residual values, if considered significant. The assets' residual values and useful lives are reviewed by the management, at each financial year-end and adjusted if impact on depreciation is significant.

Depreciation on additions to property, plant and equipment is charged from the month in which the asset is acquired or capitalized, while no depreciation is charged for the month in which the asset is disposed of.

De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal or retirement of an asset is recognized as an income or expense.

2.6 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairments, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the statement of profit or loss.

2.7 Biological assets

Biological assets comprise of standing crops and livestock. These are stated at fair value less estimated point-of-sale costs, with any resultant gain or loss recognized in the statement of profit or loss. The fair value of standing crops is based on the support price fixed by the Government and other factors such as estimated crop yield and area under cultivation. The fair value of livestock is estimated on the basis of market prices of livestock of similar age, breed and genetic merit. Point-of-sale costs include all costs that are necessary to sell the assets, excluding costs necessary to get the assets to the market.

2.8 Inventories

Inventories, except for stock in transit and waste stock, are stated at lower of cost and net realizable value. Cost is determined as follows:

Stores, spare parts and loose tools

Usable stores, spare parts and loose tools are valued principally at moving average cost, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon up to the reporting date. Provision is made in the financial statements for obsolete and slow moving stores and spares based on management's estimate as a result of changes in usage pattern and physical form.

Stock-in-trade

Stock of raw materials is valued at the weighted average cost. Cost of work-in-process and finished goods comprises cost of direct materials, labour and appropriate manufacturing overheads. Cost of own produced molasses, a by product, is determined on the basis of monthly average cost of molasses purchased from third parties in the relevant months when molasses is produced. Cost of stillage, a by product of the Biofuel Plant, used in the generation of electricity by the Power division is valued at Zero as it does not have any market value.

Materials in transit are stated at cost comprising invoice values plus other charges paid thereon up to the reporting date. Waste stock is valued at net realizable value.

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

2.9 Trade debts and other receivables

Trade debts are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any allowance for expected credit losses. The allowance for expected credit losses assessment requires a degree of estimation and judgment. It is based on the lifetime expected credit loss, based on the Company's experience of actual credit loss in past years.

Other receivables are recognized at amortized cost, less any allowance for expected credit losses.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

2.11 Share capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

2.12 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred and are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit or loss over the period of the borrowings using the effective interest method.

2.13 Government grants

Government grants are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all conditions of the grant. The benefit of a Government loan at a below-market rate of interest is treated as a Government grant.

Government grants relating to costs are deferred and recognized in the profit or loss over the period necessary to match them with the costs that these are intended to compensate.

2.14 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value and are subsequently measured at amortized cost using the effective interest method.

2.15 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

2.16 Functional and presentation currency along with foreign currency transactions and translation

These financial statements are presented in Pak Rs., which is the Company's functional and presentation currency. All monetary assets and liabilities in foreign currencies are translated into Pak Rs. at exchange rates at the reporting date. Transactions in foreign currencies are translated into Pak Rs. at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are charged or credited to statement of profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into Pak Rs. at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into Pak Rs. at exchange rates prevailing at the date when fair values are determined.

2.17 Borrowing costs

Interest, mark-up and other charges on long term financing are capitalized up to the date of commissioning of respective qualifying assets acquired out of the proceeds of such long term financing. All other interests, mark-up and other charges are recognized in statement of profit or loss.

2.18 Contingent liabilities

Contingent liability is disclosed when the Company has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.

2.19 Contingent assets

Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes certain.

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company that makes strategic decisions.

Segment results that are reported to the Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those income, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated. The Company has four reportable business segments: Sugar, Biofuel, Textile and Farms.

Transactions among the operating segments are recorded at cost. Inter segment sales and purchases are eliminated from the total.

2.21 Earnings / (Loss) Per Share (EPS / LPS)

The Company presents EPS / LPS data for its ordinary shares. Basic EPS / LPS is calculated by dividing the profit or loss for the year by weighted average number of ordinary shares outstanding during the year.

2.22 Employees' retirement benefits

Defined benefit plans

The main feature of the schemes operated by the Company for its employees are as follows:

The Company operates a funded gratuity scheme as a defined benefit plan for its permanent employees and also funded defined benefit pension plan. All permanent employees who are in the management cadre of the Company participate in these plans subject to a minimum qualifying period of service according to the terms of employment. Monthly contributions are made to these funds on the basis of actuarial recommendation at the rate of 20% per annum of basic salary for pension and 8.33% per annum of basic salary for gratuity. Actuarial valuation using projected unit credit method for the schemes was carried out as at 30 September 2023. The main features of defined benefit schemes are mentioned in Note 6.1 and Note 6.2.

The Company's net obligation in respect of these defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liabilities, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income. The Company determines the net interest expense / (income) on the net defined benefit liability / (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability / (asset), taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plan are recognized in profit or loss.

When the benefits of plans are changed or when plans are curtailed, the resulting change in benefits that relate to past service or the gain or loss on curtailment are recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of defined benefit plans when the settlement occurs.

Defined contribution plan

There is an approved contributory provident fund for all employees. Equal monthly contributions are made both by the employees and the Company at the rate of 8.33 percent of basic salary to the Fund. The Company's contributions to the Fund are charged to statement of profit or loss.

2.23 Dividend and other appropriations

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which it is declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

2.24 Investment in subsidiary company

Investment in subsidiary company is accounted for using equity method in accordance with IAS 27 'Separate Financial Statements'.

2.25 Non-current assets held for sale

Non-current assets are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. These are stated at the lower of carrying amount and fair value less costs to sell.

3. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2023	2022		2023	2022
Number of shares			Rupees in thousand	
79 021 000	79 021 000	Ordinary shares of Rs. 10 each fully paid in cash	790,210	790,210
33 131 816	33 131 816	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	331,318	331,318
750 000	750 000	Ordinary shares of Rs. 10 each issued to Pakistan Industrial Credit and Investment Corporation Limited against its right of option to convert 20 percent of its loan into fully paid up shares	7,500	7,500
9 557 000	9 557 000	Ordinary shares of Rs. 10 each issued as fully paid for consideration other than cash under the scheme of merger	95,570	95,570
2 540 184	2 540 184	Ordinary shares of Rs. 10 each issued as fully paid against conversion of preference shares	25,402	25,402
125 000 000	125 000 000		1,250,000	1,250,000

3.1 Ordinary shares of the Company held by related parties:

	NOTE	2023	2022
		Number of shares	
Crescent Steel and Allied Products Limited		27 409 075	27 409 075
The Crescent Textile Mills Limited	3.1.1	-	9 019 690
CS Capital (Private) Limited		7 602 272	7 602 272
Premier Insurance Limited	3.1.1	-	5 000
Shakarganj Mills Limited Employees' Provident Fund Trust		1 375 427	1 375 427
Shakarganj Mills Limited Gratuity Fund		107 876	107 876
Shakarganj Mills Limited Pension Fund		916 582	916 582
		37 411 232	46 435 922

3.1.1 The Crescent Textile Mills Limited and Premier Insurance Limited ceased to be the related parties due to elimination of common directorship after the election of director on 31 May 2023.

	NOTE	2023	2022
		Rupees in thousand	
4. CAPITAL RESERVES			
Surplus on revaluation of property, plant and equipment - net of deferred income tax	4.1	10,091,018	10,256,630
Other capital reserves			
Premium on issue of right shares	4.2	1,056,373	1,056,373
Share in capital reserves of equity accounted investee		429,277	552,411
Fair value reserve of investments at fair value through other comprehensive income	4.3	(13,162)	(12,835)
Difference of capital under scheme of arrangement of merger		155,930	155,930
		1,628,418	1,751,879
		11,719,436	12,008,509

		2023	2022
		Rupees in thousand	
4.1	SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF DEFERRED INCOME TAX		
	As at 01 October	10,256,630	11,466,335
	Less:		
	Transferred to accumulated loss in respect of incremental depreciation charged during the year - net of deferred income tax	(592,278)	(607,168)
	Surplus on revaluation of property, plant and equipment disposed of during the year - net of deferred income tax	(4,061)	(116,164)
	Impact of change in deferred tax rate	430,727	(486,373)
		(165,612)	(1,209,705)
	As at 30 September	10,091,018	10,256,630

4.1.1 The latest valuation of land, building, plant and machinery was carried out by an independent valuer Messrs Hamid Mukhtar and Company (Private) Limited on 30 September 2021. The valuation was determined by reference to market value of the similar properties / assets. Previously revaluations were carried out on 30 September 2012, 30 September 2014, 09 April 2018 and 27 September 2018 by independent valuers.

4.2 This reserve can be utilized by the Company only for the purposes specified in section 81 of the Companies Act, 2017.

4.3 This represents the unrealized loss on remeasurement of investments at Fair Value Through Other Comprehensive Income (FVTOCI). Reconciliation of fair value reserve is as under:

		NOTE	2023	2022
			Rupees in thousand	
	Balance as on 01 October		(12,835)	(11,021)
	Fair value adjustment during the year		(2,198)	(3,323)
			(15,033)	(14,344)
	Deferred income tax relating to investments at fair value through other comprehensive income		1,871	1,509
	Balance as on 30 September		(13,162)	(12,835)
5.	LONG TERM FINANCING			
	From banking companies - secured	5.1	225,000	41,413
	Less: Current portion shown under current liabilities		39,706	41,413
			185,294	-

5.1 From banking companies

LENDER	2023 (Rupees in thousand)	2022 (Rupees in thousand)	RATE OF INTEREST / PROFIT PER ANNUM	EFFECTIVE RATE OF INTEREST / PROFIT	NUMBER OF INSTALLMENTS	INTEREST / PROFIT REPRICING	INTEREST / PROFIT PAYABLE	SECURITY
MCB Bank Limited - Loans under SBP Refinance Scheme	-	41,413	SBP rate + 3%	3%	This facility was completely repaid on 27 December 2022.	-	Quarterly	First joint pari passu charge over present and future fixed assets of Rs. 1,000 million, first pari passu charge of Rs. 551 million over stocks, ranking charge of Rs. 200 million on fixed assets, first pari passu charge on plant and machinery of Rs. 250 million, ranking charge of Rs. 200 million on current assets of the Company and personal guarantee of Chief Executive Officer and one Director of the Company.
Bank Islami Pakistan Limited	225,000	-	3 MK + 1%	18.92% - 23.92%	Twenty quarterly installments commenced on 07 February 2023 and ending on 05 January 2028. First three quarterly installments are related to profit only and remaining seventeen quarterly installments are related to principal and profit payments.	Quarterly	Quarterly	Ranking charge over fixed assets of Rs. 567 million, Ranking charge over current assets of Rs. 567 million , pledge of stock of Rs. 112 million and personal guarantee of one sponsor and one Director of the Company. It is also secured through pledge of shares.
	225,000	41,413						

		NOTE	2023	2022
			Rupees in thousand	
6.	EMPLOYEES' RETIREMENT BENEFITS			
	Pension Fund	6.1	854,630	571,315
	Gratuity Fund	6.2	127,266	105,193
			981,896	676,508
	Less: Transferred to trade and other payables in:			
	Payable to Pension Fund		174,546	174,546
	Payable to Gratuity Fund		80,002	80,002
			254,548	254,548
			727,348	421,960
6.1	Pension Fund			
	The amount recognized in the statement of financial position is determined as follows:			
	Present value of defined benefit obligation	6.1.1	708,245	597,841
	Fair value of plan assets	6.1.2	146,385	(26,526)
	Net defined benefit obligation		854,630	571,315
6.1.1	The movement in the defined benefit obligation over the year is as follows:			
	Present value of defined benefit obligation as at 01 October		597,841	500,076
	Current service cost		27,205	23,116
	Interest cost		77,562	53,654
	Remeasurement losses / (gains)		30,572	45,612
	Benefits paid during the year		(24,935)	(24,617)
	Present value of defined benefit obligation as at 30 September		708,245	597,841
6.1.2	The movement in the fair value of plan assets for the year is as follows:			
	Fair value as at 01 October		26,526	295,135
	Return on plan assets		3,028	22,450
	Contributions during the year		17,716	17,073
	Fund transferred back to the Company	6.1.2.1	-	(174,546)
	Benefits paid during the year		(24,935)	(24,617)
	Return on plan assets excluding interest income		(168,720)	(108,969)
	Fair value as at 30 September		(146,385)	26,526

6.1.2.1 This represents the amount transferred to the Company by the Fund for the business operations of the Company and shown in 'Payable to Pension Fund' under 'Trade and Other Payables'.

		2023	2022
6.1.3	The amounts recognized in the statement of profit or loss are as follows:		
	Current service cost	27,205	23,116
	Interest cost	77,562	53,654
	Return on plan assets	(3,028)	(22,450)
	Net charge for the year	101,739	54,320

		NOTE	2023	2022
			Rupees in thousand	
6.1.3.1	The amounts recognized in the statement of profit or loss are classified as follows:			
	Cost of sales	25.2	68,329	35,111
	Distribution cost	26.1	628	346
	Administrative expenses	27.1	31,904	18,449
	Other expenses	28.1	878	414
			101,739	54,320
6.1.4	Remeasurements of net defined benefit liability			
	Actuarial losses / (gains) due to experience adjustments		30,572	45,612
	Return on plan assets excluding interest income		168,720	108,969
	Amount chargeable to other comprehensive income		199,292	154,581
6.1.5	Reconciliation of net defined benefit liability			
	As at 01 October		396,769	204,941
	Expense chargeable to profit or loss during the year		101,739	54,320
	Amount chargeable to other comprehensive income during the year		199,292	154,581
	Contributions paid by the Company during the year		(17,716)	(17,073)
	As at 30 September		680,084	396,769

6.1.6 The estimated expenses to be charged to the statement of profit or loss for the year ending on 30 September 2024 are Rs. 174.91 million.

		2023	2022
6.1.7	Actual return on plan assets		
	Interest income for the year	3,028	22,450
	Return on plan assets excluding interest income	(168,720)	(108,969)
		(165,692)	(86,519)

		2023	2022
6.1.8	The principal actuarial assumptions used were as follows:		
	Discount rate (per annum)	16.75%	14.00%
	Future salary increases (per annum)	15.75%	13.00%
	Expected rate of future pension increases (per annum)	11.75%	9.00%
	Average expected remaining working life time of employees	8 years	9 years
	Expected average duration of obligation	16 years	17 years
	Expected mortality rate	SLIC (2001-05) mortality table	

		2023	2022
		Rupees in thousand	
6.1.9	Plan assets are comprised as follows:		
	Equity instruments	142,802	187,876
	Cash and cash equivalents	1,734	89
	Others - net	(290,921)	(161,439)
		(146,385)	26,526

6.1.10 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2023	2022
Discount rate	1.00%	1.00%
Increase in assumption Rupees in thousand	(104,231)	(51,204)
Decrease in assumption Rupees in thousand	122,186	56,015
Future salary increase	1.00%	1.00%
Increase in assumption Rupees in thousand	122,218	56,001
Decrease in assumption Rupees in thousand	(104,239)	(51,211)

6.2 Gratuity Fund

The amount recognized in the statement of financial position are determined as follows:

	NOTE	2023	2022
		Rupees in thousand	
Present value of defined benefit obligations	6.2.1	137,540	105,162
Fair value of plan obligations / (assets)	6.2.2	(10,274)	31
Net defined benefit obligation		127,266	105,193
6.2.1 The movement in the defined benefit obligation over the year is as follows:			
Present value of defined benefit obligation as at 01 October		105,162	104,506
Current service cost		9,522	6,635
Interest cost		13,875	10,675
Benefits paid during the year		(893)	(5,687)
Remeasurement gains		9,874	(10,967)
Present value of defined benefit obligation as at 30 September		137,540	105,162
6.2.2 The movement in the fair value of plan (obligations) / assets for the year is as follows:			
Fair value as at 01 October		(31)	90,335
Contributions during the year		8,501	8,219
Fund transferred back to the Company	6.2.2.1	-	(80,002)
Return on plan assets		492	5,418
Benefits paid during the year		(893)	(5,687)
Return on plan (obligations) / assets excluding interest income		2,205	(18,314)
Fair value as at 30 September		10,274	(31)

6.2.2.1 This represents the amount transferred to the Company by the Fund for the business operations of the Company and shown in 'Payable to Gratuity Fund' under 'Trade and Other Payables'.

	NOTE	2023	2022
		Rupees in thousand	
6.2.3 The amounts recognized in the statement of profit or loss are as follows:			
Current service cost		9,522	6,635
Interest cost		13,875	10,675
Return on plan assets		(492)	(5,418)
Net charge for the year		22,905	11,892

		NOTE	2023	2022
			Rupees in thousand	
6.2.3.1	The amounts recognized were included in the statement of profit or loss as follows:			
	Cost of sales	25.2	15,383	7,687
	Distribution cost	26.1	142	75
	Administrative expenses	27.1	7,183	4,039
	Other expenses	28.1	197	91
			22,905	11,892
6.2.4	Remeasurements of net defined benefit liability			
	Actuarial losses / gains due to experience adjustments		9,874	(10,967)
	Return on plan (obligations) / assets excluding interest income		(2,205)	18,314
	Amount chargeable to other comprehensive income		7,669	7,347

6.2.5 The estimated expenses to be charged to the statement of profit or loss for the year ending on 30 September 2024 are Rs. 32.43 million.

		2023	2022
6.2.6	Reconciliation of net defined benefit liability		
	As at 01 October	25,191	14,171
	Expense chargeable to profit or loss during the year	22,905	11,892
	Amount chargeable to other comprehensive income during the year	7,669	7,347
	Contributions paid by the Company during the year	(8,501)	(8,219)
	As at 30 September	47,264	25,191
6.2.7	Actual return on plan (obligations) / assets		
	Interest income for the year	492	5,418
	Return on plan assets excluding interest income	2,205	(18,314)
		2,697	(12,896)

		2023	2022
6.2.8	The principal actuarial assumptions used were as follows:		
	Discount rate (per annum)	16.75%	13.25%
	Future salary increases (per annum)	15.75%	12.25%
	Average expected remaining working life time of employees	10 years	8 years
	Expected average duration of benefit obligation	9 years	7 years
	Expected mortality rate	SLIC (2001-05) mortality table	

		2023	2022
		Rupees in thousand	
6.2.9	Plan (obligations) / assets are comprised as follows:		
	Equity instruments	15,503	18,076
	Cash and cash equivalents	70	51
	Others - net	(5,299)	(18,158)
		10,274	(31)

6.2.10 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2023	2022
Discount rate	1.00%	1.00%
Increase in assumption Rupees in thousand	(11,780)	(8,492)
Decrease in assumption Rupees in thousand	12,887	9,240
Future salary increase	1.00%	1.00%
Increase in assumption Rupees in thousand	12,884	9,238
Decrease in assumption Rupees in thousand	(11,781)	(8,493)

6.3 The sensitivity analysis for pension fund and gratuity fund are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions the same method (present value of the defined benefit obligations calculated with the projected unit credit method at the end of the reporting period) has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the previous year except for certain changes as given in Note 6.1.8 and Note 6.2.8.

6.4 Risks associated with the defined benefit plans

The defined benefit plans expose the Company to the following risks:

Interest rate risk

The present value of the defined benefit liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on high quality corporate bonds, or where there is no deep market in such bonds, by reference to market yields on government bonds. Currencies and terms of bond yields used must be consistent with the currency and estimated term of the post-employment benefit obligations being discounted. A decrease in bond interest rates will increase the liability, and vice versa.

Salary risk

The present value of the defined benefit liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the liability and vice versa.

Pension rate risk

The present value of the defined benefit liability is calculated after taking into account the future pension growth of plan participants. As such, an increase in the pension growth rate of the plan participants will increase the liability and vice versa.

Withdrawal rate risk

The present value of the defined benefit liability is calculated by reference to the best estimate of the withdrawal rate / attrition rate of plan participants. As such, an increase in the withdrawal rate may increase / decrease the liability and vice versa depending on the age-service distribution of the existing employees.

Mortality rate risk

The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants during employment. An improvement in the mortality rate of the participants may increase / decrease the liability and vice versa depending on the age-service distribution of the exiting employees.

			2023	2022
			Rupees in thousand	
7.	DEFERRED INCOME TAX LIABILITY			
	Taxable temporary differences			
	Accelerated tax depreciation		336,462	424,446
	Surplus on revaluation of property, plant and equipment		2,279,722	2,898,561
	Undistributed reserve of investment		64,584	39,644
			2,680,768	3,362,651
	Deductible temporary differences			
	Unused tax losses		(139,508)	(158,750)
	Provision for doubtful receivables		(23,361)	(29,827)
	Provision for obsolete stores, spare parts and loose tools		(676)	(794)
	Fair value reserve of investment		(1,871)	(1,509)
	Employees' retirement benefits		(174,413)	(118,847)
			(339,829)	(309,727)
			2,340,939	3,052,924
7.1	Movement in the deferred income tax liability balance is as follows:			
	As at 01 October		3,052,924	2,864,476
	(Less) / add:			
	Employees' retirement benefits		(55,566)	(66,602)
	Accelerated tax depreciation		(87,984)	52,995
	Unused tax losses		19,242	(20,745)
	Provision for doubtful receivables		6,466	(4,290)
	Provision for obsolete stores, spare parts and loose tools		118	(122)
	Surplus on revaluation of property, plant and equipment		(618,839)	215,293
	Fair value reserve of investment		(362)	(1,509)
	Undistributed reserve of investment		24,940	13,428
			(711,985)	188,448
	As at 30 September		2,340,939	3,052,924
7.1.1	Charged to the statement of profit or loss:			
	Net movement of temporary differences	7.1	(711,985)	188,448
	- on surplus on revaluation of property, plant and equipment		430,727	(486,373)
	- on unrealized loss on investment at FVTOCI		1,871	1,509
	- on remeasurement of employees' retirement benefits		49,628	45,608
			482,226	(439,256)
			(229,759)	(250,808)

7.2 Deferred income tax asset on unused tax losses available for carry forward are recognized to the extent that the realization of related tax benefits through future taxable profits is probable. Therefore, the Company has not recognized deferred income tax asset on Rs. 8,114.36 million (2022: Rs. 7,871.78 million) in respect of tax losses including unabsorbed depreciation, as sufficient tax profits may not be available to set off these in the foreseeable future. Total minimum tax available to carry forward under section 113 of the Income Tax Ordinance, 2001 as at 30 September 2023 is of Rs. 196.62 million (2022: Rs. 309 million), while no deferred tax asset is recognized on minimum tax.

7.3 The unused tax losses excluding unabsorbed depreciation would expire as follows:

Accounting year to which the unused tax losses relates	Amount of unused tax losses	Accounting year in which unused tax losses will expire
	Rupees in thousand	
2018	969,240	2024
2019	721,455	2025
2020	545,893	2026
2021	1,444,028	2027
2022	-	2028
	3,680,616	

7.4 The minimum tax would expire as follows:

Accounting year to which the minimum tax relates	Amount of minimum tax	Accounting year in which minimum tax will expire
	Rupees in thousand	
2021	97,988	2024
2022	-	2025
2023	98,636	2026
	196,624	

	NOTE	2023	2022
		Rupees in thousand	
8. TRADE AND OTHER PAYABLES			
Creditors		1,892,155	562,162
Advances for sale of property, plant and equipment		55,778	54,728
Contract liabilities - unsecured		660,625	361,048
Payable to related parties	8.1	1,969	41,838
Accrued liabilities		426,715	297,250
Payable to Government authorities:			
- Taxes and duties		581,424	1,158,466
- Income tax deducted at source		143,581	196,021
- Others		10,056	10,021
Payable to Pension Fund and Gratuity Fund		536,457	373,918
Other payables		483,223	354,400
		4,791,983	3,409,852

8.1 These include Rs. 1.97 million (2022: Rs. 9.63 million) due to Shakarganj Food Products Limited, the subsidiary of the Company.

		NOTE	2023	2022
			Rupees in thousand	
9.	SHORT TERM BORROWINGS			
	From banking companies - secured			
	Export refinance / Istisna	9.1	672,500	935,000

9.1 Export refinance / Istisna

The Company has arranged facilities for short term finances to meet working capital requirements from various banks under mark-up arrangements. These finances were available at mark-up ranging from 16.92% to 25.91% (2022: 8.53% to 18.16%) per annum on the outstanding balance or part thereof. These include Istisna of Rs. 200 million (2022: Rs. 425 million) payable to Bank Islami Pakistan Limited, a related party. Expiry date of this istisna up to 30 September 2023 availed from Bank Islami Pakistan Limited and expiry date of export refinance is 31 March 2024 availed from National Bank of Pakistan. Subsequently the istisna facility availed from Bank Islami Limited (Related Party) is renewd with Rs. 192.5 million up to 31 March 2024.

Total credit facilities from the banking Companies as at 30 September 2023 are of Rs. 672.5 million (2022: Rs. 1459.30 million). The aggregate credit facilities are secured against ranking charge over fixed assets of the Company with 25% margin, ranking charge over current assets of the Company with 25% margin, pledge of molasses and biofuel, first pari passu charge over all present and future fixed assets of the Company and personal guarantees of one sponsor and a Director. These are additionally secured by pledge of shares of the Company and of other related parties.

		NOTE	2023	2022
			Rupees in thousand	
10.	ACCRUED MARK-UP			
	Long term financing	10.1	13,697	5,675
	Short term borrowings	10.2	63,109	47,060
			76,806	52,735

10.1 This includes mark-up of Rs 13.70 million (2022: Nil) payable to BankIslami Pakistan Limited, a related party.

10.2 This includes mark-up of Rs. 26.01 million (2022: Rs 4.68 million) payable to BankIslami Pakistan Limited, a related party.

		2023	2022
		Rupees in thousand	
11.	PROVISION FOR TAXATION		
	Provision For Taxation	1,008,275	1,072,876
	Advance Income Tax	(992,846)	(935,067)
		15,429	137,809

12. CONTINGENCIES AND COMMITMENTS

a) Contingencies

(i) The Government of Punjab under the powers conferred through the Punjab Excise Act, 1914 through notification No. SO. Tax (E&T) 3-4/2012 dated 03 July 2012, levied a duty of Rs. 2 per liter on manufacturing of spirit (biofuel) with effect from 01 July 2012. In view of legal lacunas, discrimination as to other provinces, no legislative competence and lawful authority of Government of Punjab to impose such duty on industrial ethanol which is not alcohol liquor and the fact that the Company is exporter of the spirit which is exempted under Order 6 of the Punjab Liquor Import, Export, Transportation and Possessions Orders, the management through its legal counsel has challenged the imposition of said levy and is currently contesting it at Lahore High Court, Lahore. Keeping in view all the court proceedings and grounds discussed in various higher courts, Punjab Government, after due deliberations of the Provincial Cabinet of the Punjab Government, on 20 August 2019, through its notification no. SO(E&M)2-5/2018/ED withdrew the imposed duty of Rs. 2 per liter upon the manufacture of spirit in any distillery. As per Company's legal counsel, the Company has clear-cut case and the decision of the case shall be in favor of the Company. In view of the aforesaid, the duty on manufacturing of spirit (biofuel) of Rs. 229.92 million (2022: Rs. 229.92 million) previously deposited on this account has been recognized as receivable being refundable.

(ii) The Company has paid an advance amounting to Rs. 12.99 million (2022: Rs. 12.99 million) to Messrs Industrial Enterprises for designing the boiler project to use only biogas as fuel with no option of burning bagasse. However, the boiler could not generate steam as per specification. It is unlikely that this project will be completed. Therefore the Company has gone into litigation with Industrial Enterprises in Civil Court, Jhang on 03 July 2018 for the recovery of the advance paid along with damages. Based on the advice of legal counsel, there are favourable grounds that the case will be decided in favour of the Company and the advance amount paid will be refunded back.

(iii) An appellate order was made by Commissioner Inland Revenue, Appeals, Lahore on 30 November 2020 under section 33 of Federal Excise Act, 2005, confirming payment of federal excise duty of Rs. 12.76 million (2022: Rs. 12.76 million) including penalty regarding export of sugar to Afghanistan through land route in 2014. The Company has filed appeal before Appellate Tribunal Inland Revenue, Lahore against this order on 23 December 2020. No provision has been recognized in the books of account as the Company is confident on positive outcome of the appeal, on the advice of legal counsel.

(iv) The Competition Commission of Pakistan (CCP) imposed penalties of Rs. 312.60 million (2022: Rs. 312.60 million) on sharing commercially sensitive information and Rs. 437.63 million (2022: Rs. 437.63 million) against collective decision on export quantities. Against these penalties, the Company has lodged appeal before Competition Appellate Tribunal on 14 October 2021, whose decision is pending. On the advice of legal counsel, management is confident that the matter will be decided in the favour of the Company.

(v) Deputy Commissioner Inland Revenue issued pre-audit reports of the Company under section 177(6) of Income Tax Ordinance, 2001 relevant to tax years 2018 and 2019. The Company filed writ petition on 01 October 2020 in Lahore High Court, Lahore against the selection of audit. The petition was accepted in Intra Court Appeal vide order dated 27 April 2022. On the advice of legal counsel, management is confident that the matter having no financial impact will be decided in the favor of the Company.

(vi) Deputy Commissioner Inland Revenue passed orders against the Company dated 23 November 2020 and raised demands of sales tax amounting to Rs. 164.61 million (2022: Rs. 164.61 million), Rs. 1,017.75 million (2022: Rs 1,017.75 million) and Rs. 802.71 million (2022: Rs. 802.71 million) relating to tax years 2017, 2018 and 2019 respectively on the grounds of suppression of production / sales of molasses, bagasse and mud along with default surcharge and penalty under Sales Tax Act, 1990. Against these orders, the Company filed appeals before Commissioner Inland Revenue Appeals (CIR(A)) who set aside the orders on 06 September 2021, with the direction to assessing officer to reconsider the arguments of the Company. As per Company's legal counsel, no provision is required as the Company has good arguable cases.

(vii) Deputy Commissioner Inland Revenue passed an order against the Company dated 23 November 2020 and raised demand of Federal Excise Duty in sales tax mode amounting to Rs. 475.15 million (2022: Rs. 475.15 million) relating to tax year 2017 on the grounds of suppression of production / sales of white crystalline sugar along with default surcharge and penalty under Federal Excise Act, 2005. Against this order, the Company filed appeal before Commissioner Inland Revenue Appeals (CIR(A)) who set aside the order on 06 September 2021, with the direction to assessing officer to reconsider the arguments of the Company. As per Company's legal counsel, no provision is required as the Company has good arguable case.

(viii) Commissioner Inland Revenue (Appeals) (CIR(A)) lodged petition in Lahore High Court, Lahore against the Company on 17 June 2021 regarding the order to recover sales tax of Rs. 78.87 million (2022: Rs. 78.87 million) along with default surcharge and penalty against which an appeal of the Company was accepted by Appellate Tribunal Inland Revenue on 10 November 2020. According to legal counsel of the Company, the petition filed by CIR(A) is on weak grounds therefore no provision is recognized in these financial statements.

(ix) The Company has filed appeals before Appellate Tribunal Inland Revenue on 05 April 2022 against assessment orders under section 11 of the Sales Tax Act, 1990 passed by the Commissioner Inland Revenue (Appeals) regarding the recovery of sales tax of Rs. 8.27 million for the tax periods October 2016 and March 2018. As per Company's legal counsel, no provision is required as the Company has good arguable cases.

(x) Deputy Commissioner Inland Revenue issued show cause notices to the Company on 19 May 2022 and on 16 February 2022 against the input tax adjustments of exempt / inadmissible supplies from July 2020 to June 2021 and from July 2021 to November 2021 amounting to Rs. 1.43 million and Rs. 9.28 million respectively in violation of section 8(2) of the Sales Tax Act, 1990. The collective amount was later reduced to Rs. 3.21 million. The appeals before Appellate Tribunal Inland Revenue dated 18 August 2022 and 18 October 2022, subsequent to the reporting date, are being pursued by the Company. On the advice of legal counsel, management is confident that the matters will be decided in the favour of the Company.

(xi) Deputy Commissioner Inland Revenue on 29 June 2021 passed an order under section 122(4) of Income Tax Ordinance, 2001 and made an addition amounting to Rs. 2.13 billion being unexplained income under section 111(1)(b) of Ordinance. The Company on 19 March 2022 filed an appeal before Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication. Moreover due to addition as mentioned above, Additional Commissioner Inland Revenue adjusted the refunds claimed by the Company and a demand of Rs. 31.43 million was created. The Company, being aggrieved has filed an appeal before ATIR on 25 October 2022, subsequent to the reporting date. On the advice of legal counsel, management is confident that the matters will be decided in the favor of the Company.

(xii) Commissioner Inland Revenue (CIR) filed sales tax reference no. 50364/2020 against the Company in Lahore High Court, Lahore on 13 October 2020 challenging the judgment of Appellate Tribunal Inland Revenue of setting aside various sales tax / federal excise duty demands of Rs. 28.82 million. As per Company's legal counsel, no provision is required as the reference filed by CIR is on weak grounds and will be dismissed by the Court.

(xiii) Assistant Commissioner Inland Revenue vide order dated 4th June 2012 issued a showcause notice with the identification of 11 different audit observations. Upon reply from Shakarganj Limited, a few observations were removed via Commissioner Appeals-I vide order dated 28th January, 2013. Commissioner Appeals-I applied to Appellate Tribunal for upholding of initial order but ATIR decided in the favour of the Company. The case is pending in Lahore High Court. On the advice of legal counsel, management is confident that the matter will be decided in favour of the Company.

(xiv) Commissioner Inland Revenue filed Income Tax reference impugning order dated 12th April 2022 passed in ITA NO, 1564/LB/2015 pertaining to incorrect application of minimum tax at the rate of 0.5% instead of 1% in the tax year 2011. The matter is still pending for adjucation in Lahore High Court. On the advice of legal counsel, management is confident that the matter will be decided in favour of the Company.

(xv) Commissioner Inland Revenue filed sales tax reference against the Company in Lahore High Court impugning order dated 8th March 2022 passed by the Appellate Tribunal in STA No. 132/LB/2022. The reference was decided on 1st November, 2023. The matter was remanded back to Tribunal for decision afresh. On the advice of legal counsel, management is confident that the matter will be decided in favour of the Company.

(xvi) Company's share in contingencies of the equity accounted investee is Rs. 785.53 million (2022: Rs. 407.27 million).

(xvii) In addition to above-mentioned matters there are certain cases which have been filed against the Company, primarily by the Company's employees, customers and vendors. However, the management is of the view that in the overall context of these financial statements, there would be no significant liability of the Company against such cases.

b) Commitments

There is no contract for capital and other expenditure as at 30 September 2023 (2022: Nil).

	NOTE	2023 Rupees in thousand	2022 Rupees in thousand
13. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	13.1	14,262,799	15,085,370
Capital work-in-progress	13.2	399,072	366,329
		14,661,871	15,451,699

13.1 OPERATING FIXED ASSETS

Rupees in thousand

	NOTE	Freehold land	Building	Plant and machinery	Tools and equipment	Water, electric and weighbridge equipment	Furniture and fixtures	Office equipment	Vehicles	Laboratory equipment	Arms and ammunition	Library books	Total
At 30 September 2021													
Cost / revalued amount		2,924,805	1,445,383	11,622,401	51,534	280,353	49,855	59,931	130,926	22,110	575	11,003	16,598,876
Accumulated depreciation		-	-	-	(49,457)	(264,814)	(46,517)	(59,810)	(110,237)	(19,701)	(535)	(10,887)	(561,958)
Net book value		2,924,805	1,445,383	11,622,401	2,077	15,539	3,338	121	20,689	2,409	40	116	16,036,918
Year ended 30 September 2022													
Opening net book value		2,924,805	1,445,383	11,622,401	2,077	15,539	3,338	121	20,689	2,409	40	116	16,036,918
Additions		-	3,982	1,700	251	-	1,296	50	-	-	-	-	7,279
Classification to proper heads:													
Cost		-	-	-	-	46	33	(79)	-	-	-	-	-
Accumulated depreciation		-	-	-	-	(46)	(33)	79	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-
Disposals / De-recognitions:													
Cost / revalued amount		(17,900)	(23,022)	(8,148)	(31,898)	(38,135)	(28,062)	(33,038)	(34,807)	(6,995)	(232)	(102)	(222,339)
Accumulated depreciation		-	1,583	511	31,745	37,353	27,245	32,960	33,447	6,992	218	102	172,156
		(17,900)	(21,439)	(7,637)	(153)	(782)	(817)	(78)	(1,360)	(3)	(14)	-	(50,183)
Transferred from non-current assets held for sale:	23.1												
Cost / revalued amount		-		114,015	-	-	-	-	-	-	-	-	114,015
- Accumulated depreciation		-	-	(18,290)	-	-	-	-	-	-	-	-	(18,290)
		-	-	95,725	-	-	-	-	-	-	-	-	95,725
Depreciation charge for the year		-	(108,438)	(885,791)	(565)	(3,624)	(778)	(44)	(4,127)	(966)	(8)	(28)	(1,004,369)
Closing net book value		2,906,905	1,319,488	10,826,398	1,610	11,133	3,039	49	15,202	1,440	18	88	15,085,370
At 30 September 2022													
Cost / revalued amount		2,906,905	1,426,343	11,729,968	19,887	242,264	23,122	26,864	96,119	15,115	343	10,901	16,497,831
Accumulated depreciation		-	(106,855)	(903,570)	(18,277)	(231,131)	(20,083)	(26,815)	(80,917)	(13,675)	(325)	(10,813)	(1,412,461)
Net book value		2,906,905	1,319,488	10,826,398	1,610	11,133	3,039	49	15,202	1,440	18	88	15,085,370
Year ended 30 September 2023													
Opening net book value		2,906,905	1,319,488	10,826,398	1,610	11,133	3,039	49	15,202	1,440	18	88	15,085,370
Additions		-		102,211	28	860	195		5,800	-	-	-	109,094
Disposals:													
Cost / revalued amount				(7,105)			(125)		(5,408)			(1)	(12,639)
Accumulated depreciation				985			74		4,532			1	5,592
		-	-	(6,120)	-	-	(51)	-	(876)	-	-	-	(7,047)
Depreciation charge for the year			(98,996)	(817,397)	(439)	(2,660)	(621)	(20)	(3,880)	(580)	(3)	(22)	(924,618)
Closing net book value		2,906,905	1,220,492	10,105,092	1,199	9,333	2,562	29	16,246	860	15	66	14,262,799
At 30 September 2023													
Cost / revalued amount		2,906,905	1,426,343	11,825,074	19,915	243,124	23,192	26,864	96,511	15,115	343	10,900	16,594,286
Accumulated depreciation		-	(205,851)	(1,719,982)	(18,716)	(233,791)	(20,630)	(26,835)	(80,265)	(14,255)	(328)	(10,834)	(2,331,487)
Net book value		2,906,905	1,220,492	10,105,092	1,199	9,333	2,562	29	16,246	860	15	66	14,262,799
Annual rate of depreciation (%)		-	7.5	7.5, 30	20, 40	20, 40	20	40	20	40	20	20, 30	

13.1.1 Detail of operating fixed assets disposed off during the year is disclosed in Note 13.1.3.

13.1.2 Particulars of immovable properties (i.e. land and building) in the name of the Company are as follows:

Particulars	Location	Area of land	Covered Area of building Sq. ft.
Freehold land (Farms)	Land at Chak Rasool Pur	103 Kanals, 13 Marlas	-
	Land at Moza Billi Habib (Nualan Par)	284 Kanals, 16 Marlas	-
	Land at Moza Chandia Nasheb	438 Kanals, 1 Marla	-
	Land at Moza Turbat Haji Shah	17 Kanals, 9 Marlas	-
	Land at Moza Doka Baloucha	637 Kanals, 19 Marlas	-
	Land at Moza Kot Esa Shah	1 262 Kanals	-
	Land at Moza Kot Khan	2 926 Kanals 4 Marlas	-
	Land at Chak 462 JB	781 Kanals, 13 Marlas	-
	Land at Kot Sahai Singh	52 Kanals, 4 Marlas	-
Freehold land (Bhone)	Land at Chund Bharwana	1 Kanal	
	Land at Adda Massan	1 Kanal	-
	Bhone Unit (factory land)	1 420 Kanals, 4 Marlas	496,365
Freehold land (Jhang)	Land at Lalazar	1 Kanal	-
	Land at Moza Suleman Adda Sher Abad	1 Kanal	-
	Land at Chak 426 Adda Pul	1 Kanal	-
	Land at Chak 428 Adda Pul	1 Kanal	-
	Land at Chak 316 Talwandi	15 Kanals, 16 Marlas	-
	Land at Moza Sangra Adda Kot Shakir	1 Kanal	-
	Land at Islam Wala Adda Pul Gagan	1 Kanal	-
	Land at Adda Kot Bahadar	1 Kanal	-
	Land at Moza Kalachi Adda	1 Kanal	-
	Land at Moza Gilmala	1 Kanal	-
	Land at Malluana More	10 Marlas	-
	Land at Roran Wali	1 Kanal	-
	Jhang Unit (factory land)	1 289 Kanals, 5 Marlas	1 710 670

13.1.3 Detail of operating fixed assets, exceeding the book value of Rs. 500,000, disposed of during the year is as follows:

Description	Cost / revalued amount	Accumulated depreciation	Net book value	Sale proceeds	(Loss) / gain	Mode of disposal	Particulars of purchasers
	Rupees in thousand						
Plant and machinery							
B-Centrifugal Machines K-12 DC	7,105	985	6,120	5,410	(710)	Auction	Muhammad Afzaal, Near Ghalla Mandi, Toba Road, Jhang
Vehicles							
Car Toyota Corolla Gli, ACU765	2,054	1,254	800	2,725	1,925	Negotiation	Mr. Muhammad Iqbal
Aggregate of other items of property, plant and equipment with individual book values not exceeding Rs. 500,000	3,480	3,353	127	2,848	2,720		
	12,639	5,592	7,047	10,983	3,935		

13.1.4 The carrying amount of freehold land, building and plant and machinery would have been Rs. 147.52 million (2022: Rs 147.52 million), Rs. 179.69 million (2022: Rs. 194.26 million) and Rs. 1,438.40 million (2022: Rs. 1,555.80 million) respectively, had there been no revaluation.

13.1.5 Forced sale value as per last revaluation carried out on 30 September 2021 was Rs. 2,339.84 million, Rs. 1,156.31 million and Rs. 8,135.68 million for freehold land, building and plant and machinery respectively.

		NOTE	2023	2022
			Rupees in thousand	
13.1.6	The depreciation charge has been allocated as follows:			
	Cost of sales	25	907,261	985,557
	Administrative expenses	27	17,357	18,812
			924,618	1,004,369

13.2 CAPITAL WORK-IN-PROGRESS

Rupees in thousand

	Civil works	Plant and machinery	Advances for capital expenditure (Note 13.2.1)	Total
At 01 October 2021	1,296	72,842	55,429	129,567
Add: Additions during the year	8,183	151,798	82,463	242,444
Less: Transferred to operating fixed assets during the year	(3,982)	(1,568)	(132)	(5,682)
At 30 September 2022	5,497	223,072	137,760	366,329
Add: Additions during the year	2,000	170,254		172,254
Less: Transferred to operating fixed assets during the year	(1,296)	(104,350)	(33,865)	(139,511)
At 30 September 2023	6,201	288,976	103,895	399,072

		NOTE	2023	2022
			Rupees in thousand	
13.2.1	Advances for capital expenditure:			
	Considered good:			
	- Plant and machinery		103,895	137,760
	Considered doubtful:			
	- Plant and machinery		21,664	21,664
	- Intangibles		15,274	15,274
			36,938	36,938
			140,833	174,698
	Less: Provision against doubtful advances		(36,938)	(36,938)
			103,895	137,760
14.	BIOLOGICAL ASSETS			
	Sugarcane - mature	14.1	-	2,881
	Rice - mature		1,632	-
	Livestock	14.2	28,889	30,204
			30,521	33,085
	Non - current - livestock		28,889	30,204
	Current - crops		1,632	2,881
			30,521	33,085

14.1 The value of mature sugarcane crops is based on estimated average yield of NIL (2022: 600) mounds per acre on cultivated area of NIL (2022: 12) acres. The cultivated area of current year dropped significantly from last year due to letting out most of the agriculture land instead of cultivating by the Company itself.

14.2 Livestock comprises a total of 220 (2022: 234) animals which includes cows, heifers, bulls and calves.

		NOTE	2023 Rupees in thousand	2022 Rupees in thousand
14.3	Movement during the year			
	Livestock			
	As at 01 October		30,204	18,333
	Gain arising from changes in fair value less estimated point of sale costs		1,572	12,742
	Decrease due to sale / deceased livestock		(2,887)	(871)
	As at 30 September		28,889	30,204
	Crops			
	As at 01 October		2,881	16,232
	Increase due to purchases / costs incurred		4,157	61,172
	Decrease due to harvest / sales		(7,852)	(54,149)
	Fair value adjustment related to sales during the year		3,848	(7,023)
	Fair value adjustment of agricultural assets	25	(1,402)	(13,351)
	As at 30 September		1,632	2,881
			30,521	33,085
15.	LONG TERM INVESTMENTS			
	Investment in equity accounted investee	15.1	1,932,641	1,908,960
	At fair value through other comprehensive income	15.2	4,579	6,777
			1,937,220	1,915,737

15.1 Investment in equity accounted investee

Shakarganj Food Products Limited - Unquoted

87 785 643 (2022: 87 785 643) fully paid ordinary shares of Rs. 10 each. Equity held: 52.39% (2022: 52.39%)

	2023	2022
Cost	590,784	590,784
Share of post acquisition reserves:		
As at 01 October	1,318,176	1,136,689
Share of profit after taxation	87,325	64,196
Share of other comprehensive (loss) / income	(63,644)	128,923
Share of equity portion - Musharakah financing	-	(11,632)
	23,681	181,487
	1,341,857	1,318,176
As at 30 September	1,932,641	1,908,960

15.1.1 Shakarganj Food Products Limited (SFPL) is a public unlisted company incorporated in Pakistan and is principally engaged in the business of manufacturing, processing and sale of food products. Its registered office is situated at E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg - III, Lahore. SFPL is a subsidiary of the Company and the investment is accounted for using equity method in accordance with IAS 27 'Separate Financial Statements'.

	2023	2022
	Rupees in thousand	
Summarized statement of financial position		
Non-current assets	5,932,216	7,571,558
Current assets	4,403,268	3,133,236
Total assets	10,335,484	10,704,794
Non-current liabilities	(1,023,710)	(1,197,153)
Current liabilities	(5,758,846)	(5,999,913)
Total liabilities	(6,782,556)	(7,197,066)
Net assets	3,552,928	3,507,728

	2023	2022
Company's share (%)	52.39%	52.39%

	2023	2022
	Rupees in thousand	
Company's share	1,861,380	1,837,699
Excess of purchase consideration over net assets	71,261	71,261
	1,932,641	1,908,960
Reconciliation to carrying amounts:		
As at 01 October	3,507,728	3,161,314
Profit after taxation	166,682	122,534
Other comprehensive (loss) / income	(121,482)	246,083
Share of equity portion - Musharakah financing	-	(22,203)
As at 30 September	3,552,928	3,507,728
Summarized statement of comprehensive income		
Revenue	15,068,704	18,027,493
Profit for the year	166,682	122,534
Other comprehensive (loss) / income	(121,482)	246,083
Total comprehensive income	45,200	368,617

		NOTE	2023	2022
			Rupees in thousand	
15.2	At fair value through other comprehensive income			
	Related party - quoted			
	Crescent Steel and Allied Products Limited 180 000 (2022: 180 000) fully paid ordinary shares of Rs. 10 each.		15,921	15,921
	Others - unquoted			
	Crescent Group (Private) Limited 220 000 (2022: 220 000) fully paid ordinary shares of Rs. 10 each.		2,200	2,200
	Crescent Standard Telecommunications Limited 300 000 (2022: 300 000) fully paid ordinary shares of Rs. 10 each.		3,000	3,000
	Innovative Investment Bank Limited 51 351 (2022: 51 351) fully paid ordinary shares of Rs. 10 each		-	-
			21,121	21,121
	Less: Fair value adjustment		(16,542)	(14,344)
			4,579	6,777
16.	LONG TERM ADVANCES AND DEPOSITS			
	Security deposits:			
	Considered good		36,135	36,135
	Considered doubtful		265	265
			36,400	36,400
	Advance to Creek Marina (Private) Limited - considered doubtful	16.1	38,557	38,557
			74,957	74,957
	Less: Provision against doubtful receivables		(38,822)	(38,822)
			36,135	36,135

16.1 This represents payment for two apartments in the Creek Marina Projects pursuant to a settlement agreement entered into by the Company and the former Crescent Standard Investment Bank Limited in year 2006. The construction work at the site has been halted since year 2011 due to differences between Defence Housing Authority and the developer. The resumption of construction work is still uncertain in near future. Consequently, based on prudence principal the Company provided the above advance in full.

		NOTE	2023	2022
			Rupees in thousand	
17.	STORES, SPARE PARTS AND LOOSE TOOLS			
	Stores		63,518	27,566
	Spare parts		29,958	26,450
	Loose tools		773	822
			94,249	54,838
	Less: Provision for obsolete items		(2,820)	(2,820)
			91,429	52,018

		NOTE	2023	2022
			Rupees in thousand	
18.	STOCK-IN-TRADE			
	Raw materials		739,031	5,629
	Work-in-process		13,126	11,399
	Finished goods	18.1	733,047	278,214
			1,485,204	295,242

18.1 These include stock of Rs. 0.22 million (2022: Rs. 0.20 million) held by a third party.

18.2 Stock-in-trade of Rs. 672.17 million (2022: Rs. 0.16 million) is being carried at net realizable value.

18.3 The aggregate amount of write-down of inventories to net realizable value recognized as an expense during the year was Rs. 120.78 million (2022: Nil)

		NOTE	2023	2022
			Rupees in thousand	
19.	TRADE DEBTS			
	Unsecured - considered good:			
	Related party	19.1	27,930	25,903
	Others - against contract		117,453	49,560
			145,383	75,463
	Less: Allowance for expected credit losses	19.2	(7,630)	(10,378)
			137,753	65,085

19.1 As at 30 September 2023, trade debts due from the Subsidiary Company, Shakarganj Food Products Limited is amounting to Rs. 27.93 million (2022: Rs. 25.90 million). The ageing analysis of these trade debts is as follows:

	2023	2022
	Rupees in thousand	
Upto 1 month	2,335	787
1 to 6 months	25,595	25,116
	27,930	25,903

19.1.1 Maximum aggregate balance due from the Subsidiary Company at the end of any month during the year was Rs. 50.90 million (2022: Rs. 44.10 million).

		NOTE	2023	2022
			Rupees in thousand	
19.2	Allowance for expected credit losses			
	Balance as at 01 October		10,378	11,958
	Provision for the year		-	-
	Reversal during the year	29	(2,748)	(1,580)
	Net provision / (reversal) for the year		(2,748)	(1,580)
	Balance as at 30 September		7,630	10,378

19.3 Revenue from the sale of goods is recognized at the time of delivery, while apart from certain advance payments, for credit sales payment is generally due within 30 days from delivery in case of local sales, and in case of export sales advance payment is received.

19.4 As at 30 September 2023, trade debts due from other than the related party are aggregating to Rs. 109.82 million (2022: Rs. 38.54 million) which are past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default. The ageing analysis of these trade debts is as follows:

	NOTE	2023 Rupees in thousand	2022
Upto 1 month		19,589	3,899
1 to 6 months		83,127	32,273
More than 6 months		7,107	2,365
		109,823	38,537

19.5 Whole of the trade debts are due from local parties.

20 LOANS AND ADVANCES

	NOTE	2023	2022
Considered good:			
- to employees (against salary)	20.1	1,254	1,716
- to employees (against expenses)		4,530	3,608
- to executives	20.1	299	1,441
- to suppliers and contractors		177,109	270,974
- to sugarcane growers		7,829	9,374
Receivable from related party		7,217	-
		198,238	287,113
Less: Provision against doubtful loans and advances	20.2	(17,158)	(17,167)
		181,080	269,946

20.1 These represent interest free loans to employees and executives for various purposes. These are recoverable in monthly installments and are secured against the balances to the credit of employees and executives in the retirement benefits.

	NOTE	2023 Rupees in thousand	2022
20.2 Provision for doubtful loans and advances			
Balance as at 01 October		17,167	16,789
Provision for the year		-	378
Reversal during the year		(9)	-
Net provision/(Reversal) during the year	29	(9)	378
Balance as at 30 September		17,158	17,167

21 PREPAYMENTS AND OTHER RECEIVABLES

	NOTE	2023	2022
Considered good:			
Export rebate		41,737	41,737
Prepayments		4,238	3,566
Receivable from Employees' Provident Fund Trust		11,181	16,811
Others		254,076	262,650
		311,232	324,764
Less: Provision against doubtful receivables	21.1	(2,593)	(2,593)
		308,639	322,171

		NOTE	2023	2022
			Rupees in thousand	
21.1	Provision for doubtful receivables			
	Balance as at 01 October		2,593	2,593
	Provision for the year		-	-
	Balance as at 30 September		2,593	2,593
22	CASH AND BANK BALANCES			
	With banks:			
	In current accounts		61,868	29,294
	In saving accounts	22.1	1,112	599
			62,980	29,893
	Cash in hand		441	746
			63,421	30,639

22.1 These carry profit at the rates ranging from 13.50% to 20.50% (2022: 3.00% to 13.50%) per annum.

22.2 Cash with banks include balance of Rs. 0.13 million (2022: Rs. 10.96 million) with BankIslami Pakistan Limited, a related party.

23 NON-CURRENT ASSETS HELD FOR SALE

The non-current assets classified as held for sale under IFRS-5 'Non Current Assets held for Sale and Discontinued Operations' are summarized hereunder:

	NOTE	2023	2022
		Rupees in thousand	
Property, plant and equipment	23.1	90,248	90,248

Specific items of freehold land, plant and machinery of Sugar segment of the Company were presented as held for sale following the approval of Board of Directors (BOD) of the Company in the meeting held on 04 January 2021. The management is hopeful of completing the sale transaction during the next financial year.

		NOTE	2023	2022
			Rupees in thousand	
23.1	Reconciliation of non-current assets held for sale			
	Book value of assets transferred from property, plant and equipment:			
	Plant and machinery		90,248	335,180
	Less: Book value of assets disposed of during the year			
	Plant and machinery		-	149,207
			90,248	185,973
	Less: Book value of assets transferred to property, plant and equipment		-	95,725
	Carrying value of non-current assets held for sale as at 30 September		90,248	90,248

		NOTE	2023	2022
			Rupees in thousand	
24	REVENUE FROM CONTRACTS WITH CUSTOMERS			
	Local sales	24.1	7,892,875	9,980,916
	Export sales		1,668,949	2,344,654
			9,561,824	12,325,570
24.1	Local sales			
	Sugar		8,324,608	10,219,641
	By-products		564,643	800,786
	Biofuel		283,403	352,794
	Yarn, polyester and cotton		-	310,577
	Farm		2,035	46,139
	Waste		-	242
			9,174,689	11,730,179
	Less: Sales tax and federal excise duty		1,281,814	1,749,263
			7,892,875	9,980,916

24.2 Revenue recognized during the year from the contract liabilities at the beginning of the year is Rs. 274.64 million (2022: Rs. 329.76 million).

24.3 Revenue is recognized at point in time as per the terms and conditions of underlying contracts with customers.

		NOTE	2023	2022
			Rupees in thousand	
25	COST OF REVENUE			
	Raw materials consumed	25.1	8,214,471	9,210,727
	Cost of raw material sold		-	12,723
	Salaries, wages and other benefits	25.2	610,545	512,653
	Stores, spare parts and loose tools consumed		230,553	156,209
	Dyes and chemicals consumed		67,197	82,328
	Loading and unloading charges		5,953	4,809
	Packing materials consumed		91,463	102,598
	Fuel and power		109,379	717,121
	Repairs and maintenance		40,497	45,701
	Insurance		7,327	8,565
	Vehicle running and maintenance		11,592	8,634
	Travelling and conveyance		1,764	1,411
	Printing and stationery		657	546
	Rent, rates and taxes		3,207	3,931
	Land preparation and irrigation expenses		633	3,550
	Sugarcane research and development		2,057	1,765
	Fair value adjustment of agricultural assets	14.3	1,402	13,351
	Depreciation	13.1.6	907,261	985,557
	Miscellaneous		35,140	32,642
			10,341,098	11,904,821
	Work-in-process			
	Opening stock		11,400	13,283
	Closing stock		(13,126)	(11,399)
			(1,726)	1,884
	Cost of goods manufactured		10,339,372	11,906,705
	Finished goods			
	Opening stock		278,214	326,366
	Closing stock		(733,047)	(278,214)
			(454,833)	48,152
			9,884,539	11,954,857
25.1	Raw materials consumed			
	Opening stock		5,629	21,548
	Add: Purchased during the year		8,947,873	9,194,808
			8,953,502	9,216,356
	Less: Closing stock		(739,031)	(5,629)
			8,214,471	9,210,727

		NOTE	2023	2022
			Rupees in thousand	
25.2	Salaries, wages and other benefits include following in respect of retirement benefits:			
	Pension Fund	6.1.3.1	68,329	35,111
	Gratuity Fund	6.2.3.1	15,383	7,687
	Employees' Provident Fund Trust		5,401	7,401
			89,113	50,199
26.	DISTRIBUTION COST			
	Storage tank charges		26,530	30,919
	Freight and forwarding		60,252	134,553
	Handling and distribution		1,585	1,431
	Commission to selling agents		7,015	8,605
	Salaries and other benefits	26.1	6,417	5,910
	Insurance		2,760	1,948
	Sales promotion expenses		1,184	828
			105,743	184,194
26.1	Salaries and other benefits include following in respect of retirement benefits:			
	Pension Fund	6.1.3.1	628	346
	Gratuity Fund	6.2.3.1	142	75
	Employees' Provident Fund Trust		223	73
			993	494
27.	ADMINISTRATIVE EXPENSES			
	Salaries, wages and other benefits	27.1	296,609	279,633
	Repairs and maintenance		6,443	9,597
	Insurance		4,250	4,064
	Vehicle running and maintenance		16,509	11,277
	Travelling and conveyance		2,251	2,861
	Printing and stationery		1,897	1,090
	Electricity and gas		4,694	3,694
	Telephone and postage		3,326	3,870
	Legal and professional		26,092	18,458
	Auditor's remuneration	27.2	2,585	2,780
	Rent, rates and taxes		1,308	6,512
	Staff training and development		522	136
	Entertainment		4,584	4,122
	Fee and subscription		9,187	8,040
	Advertisement		326	329
	Registered office expenses		937	1,062
	Depreciation	13.1.6	17,357	18,812
	Others		1,456	1,666
			400,333	378,003

		NOTE	2023	2022
			Rupees in thousand	
27.1	Salaries, wages and other benefits include following in respect of retirement benefits:			
	Pension Fund	6.1.3.1	31,904	18,449
	Gratuity Fund	6.2.3.1	7,183	4,039
	Employees' Provident Fund Trust		5,381	3,889
			44,468	26,377
27.2	Auditor's remuneration			
	Audit fee - stand alone		1,485	1,485
	Fees for half yearly review, consolidation and other certifications		950	1,085
	Reimbursable expenses		150	210
			2,585	2,780
28.	OTHER EXPENSES			
	Social action programme expenses including salaries	28.1	8,902	5,910
	Waste water drainage		6,239	8,594
	Net exchange loss		89,977	-
	Provision for doubtful loans and advances	20.2	-	378
	Loss on sale of property, plant and equipment	13.1.3		4,935
	Agricultural loss		1,684	-
			106,802	19,817
28.1	Social action programme salaries expenses include following in respect of retirement benefits:			
	Pension Fund	6.1.3.1	878	414
	Gratuity Fund	6.2.3.1	197	91
	Employees' Provident Fund Trust		129	87
			1,204	592
29.	OTHER INCOME			
	Income from financial assets			
	Return on bank deposits		114	313
	Net exchange gain		-	46,489
	Reversal of allowance for expected credit losses	19.2/20.2	2,757	1,580
			2,871	48,382
	Income from non-financial assets			
	Scrap sales		26,850	13,163
	Gain on sale of property, plant and equipment		3,935	-
	Gain on sale of non-current assets held for sale		-	25,392
	Sale of biofertilizer		273,360	-
	Income from livestock - net		-	6,443
	Liabilities no longer payable written back		720	15,307
	Rental income		39,089	26,042
	Amortization of deferred income - Government grant		-	6,833
	Others		1,000	3,703
			344,954	96,883
			347,825	145,265

		NOTE	2023	2022
			Rupees in thousand	
30.	FINANCE COST			
	Mark up on:			
	Long term financing		34,034	29,200
	Short term borrowings		159,255	125,694
	Due to Gratuity Fund and Pension Fund - related parties		57,686	26,285
	Bank and other charges		111,795	155,119
			362,770	336,298
31.	TAXATION			
	Charge for the year:			
	Current	31.1	116,218	183,905
	Prior year		(203,453)	(45,933)
			(87,235)	137,972
	Deferred		(229,759)	(250,808)
			(316,994)	(112,836)

31.1 Provision for current taxation represents the tax deducted against export sales, minimum tax on local sales and tax on different heads of other income under the relevant provisions of the Income Tax Ordinance, 2001. Unused tax losses available for carry forward including unabsorbed depreciation as at 30 September 2023 are of Rs. 9,186.88 million (2022: Rs. 8,352.85 million). Reconciliation of tax expenses and product of accounting profit multiplied by the applicable tax rate is not presented in view of unused tax losses of the Company.

		2023	2022
32.	LOSS PER SHARE - BASIC AND DILUTED		
	There is no dilutive effect on basic loss per share of the Company which is based on:		
	Loss for the year Rupees in thousand	(546,219)	(225,302)
	Weighted average number of ordinary shares (Numbers)	125 000 000	125 000 000
	Loss per share (Rupees)	(4.37)	(1.80)

		NOTE	2023	2022
			Rupees in thousand	
33.	CASH GENERATED FROM OPERATIONS			
	Loss before taxation		(863,213)	(338,138)
	Adjustments for non-cash charges and other items:			
	Depreciation		924,618	1,004,369
	Liabilities no longer payable written back		(720)	(15,307)
	Loss / (gain) on sale of property, plant and equipment		(3,935)	4,935
	Gain on sale of non-current assets held for sale		-	(25,392)
	Fair value adjustment of agricultural assets		1,402	13,351
	Unrealized loss on agriculture income		1,315	
	(Reversal of allowance) / allowance for expected credit losses		(2,757)	(1,580)
	Provision for doubtful loans and advances		-	378
	Provision for employees' retirement benefits		124,644	66,212
	Share of profit from equity accounted investee		(87,325)	(64,196)
	Amortization of deferred grant		-	(6,833)
	Finance cost		362,770	336,298
	Working capital changes	33.1	185,812	(102,796)
			642,611	871,301
33.1	Working capital changes			
	(Increase) / decrease in current assets:			
	- Stores, spare parts and loose tools		(39,411)	(1,446)
	- Stock-in-trade		(1,189,962)	65,955
	- Biological assets		(153)	(11,871)
	- Trade debts		(69,911)	19,276
	- Loans and advances		88,866	(225,369)
	- Prepayments and other receivables		13,532	(37,659)
			(1,197,039)	(191,114)
	Increase in trade and other payables		1,382,851	88,318
			185,812	(102,796)

33.2 Reconciliation of movement of liabilities to cash flows arising from financing activities:

Rupees in thousand

	2023				2022			
	Unclaimed Dividend	Long term financing	Short term borrowings	Total	Unclaimed Dividend	Long term financing	Short term borrowings	Total
Balance as at 01 October	1,916	41,413	935,000	978,329	1,944	410,105	935,000	1,347,049
Dividend paid	-	-	-	-	(28)	-	-	(28)
Loans availed	-	225,000	516,800	741,800	-	-	875,000	875,000
Repayment of loans	-	(41,413)	(779,300)	(820,713)	-	(375,525)	(875,000)	(1,250,525)
Fair value adjustment	-		-	-	-	6,833	-	6,833
Balance as at 30 September	1,916	225,000	672,500	899,416	1,916	41,413	935,000	978,329

34. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements in respect of remuneration including all benefits to Chief Executive Officer, directors and executives of the Company are as follows:

Rupees in thousand

	Chief Executive Officer		Executive Director		Non-Executive Directors		Executives	
	2023	2022	2023	2022	2023	2022	2023	2022
Managerial remuneration	10,621	12,708	7,301	6,000	-	-	76,556	77,217
Allowances								
House rent	4,699	5,719	2,920	2,400	-	-	21,218	22,558
Utilities	1,062	1,271	730	600	-	-	5,305	5,489
Medical	128	-	584	480	-	-	5,144	5,240
Others	200	-	-	-	-	-	1,315	1,449
Contribution to retirement benefits	3,752	4,490	2,579	2,120	-	-	14,578	14,117
Meeting fee	-	-	-	-	540	840	-	-
	20,462	24,188	14,114	11,600	540	840	124,116	126,070
Number of persons	1	1	2	1	8	6	31	28

34.1 The Chief Executive Officer, some directors and some executives are provided with company maintained car, travel facilities and club membership.

35. PROVIDENT FUND RELATED DISCLOSURE

As at the reporting date, Shakarganj Mills Limited - Employees' Provident Fund Trust is in the process of regularizing its investments in accordance with section 218 of the Companies Act, 2017 and the regulations formulated for this purpose by Securities and Exchange Commission of Pakistan.

36. NUMBER OF EMPLOYEES

	2023	2022
Number of employees as at 30 September	868	896
Average number of employees during the year	931	990

37. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiary company, associated companies, other related parties, employees' retirement benefit funds and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties along with basis of relationship, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Name of related party	Basis of relationship	Nature of transactions	2023	2022
			Rupees in thousand	
Subsidiary company				
Shakarganj Food Products Limited (SFPL)	52.39% (2022: 52.39%) of shareholding in SFPL	Sale of goods	63,763	63,513
		Common expenses shared	2,872	2,291
Associated companies				
Crescent Steel and Allied Products Limited (CSAPL)	Associate due to shareholding by CSAPL in the Company of 21.93% (2022: 21.93%)	Purchase of goods	20	543,566
		Common expenses shared	6,075	12,327
		Sale of goods and rendering of services	4,401	605,737
		Stores consumed by the Company	-	899
Premier Insurance Limited	Common directorship	Insurance expense	3,714	7,144
BankIslami Pakistan Limited	Subsidiary's associate	Mark-up expense on borrowing	82,733	47,225
Other related parties				
Begum Balqies Saleem (Note 37.2)	Mother of retiring CEO	Service charges accrued	-	5,046
Post employment benefit plans	Employees' Provident Fund Trust, Gratuity Fund and Pension Fund	Expense charged in respect of:		
		Employees' Provident Fund Trust	11,134	11,450
		Pension Fund	101,739	54,320
		Gratuity Fund	22,905	11,892
		Other transactions with pension and gratuity fund:		
		Funds received	277,434	254,548
		Markup expenses	57,686	26,285

37.1 Detail of compensation to key management personnel comprising of Chief Executive Officer, directors and executives is disclosed in Note 34.

37.2 Begum Balqies Saleem (mother of retiring CEO) passed away last year, therefore, the transactions during the year were not a related party transaction.

38. PLANT CAPACITY AND ACTUAL PRODUCTION

		2023	2022
Sugar			
Jhang			
Rated crushing capacity	(MT / day)	10 000	10 000
On the basis of 88 days (2022: 145 days)	(MT)	880 000	1 450 000
Actual sugarcane crushed	(MT)	554 133	713 856
Bhone			
Rated crushing capacity	(MT / day)	6 000	6 000
On the basis of 83 days (2022: 138 days)	(MT)	498 000	828 000
Actual sugarcane crushed	(MT)	465 047	633 795
The low crushing was due to low quality sugarcane.			
Biofuel			
Jhang			
Rated production capacity	(Liters / day)	150 000	150 000
On the basis of average number of 67 days (2022: 106 days) working	(Liters)	10 050 000	15 900 000
Actual production	(Liters)	3 890 752	9 595 800
Bhone			
Rated production capacity	(Liters / day)	200 000	200 000
On the basis of average number of 66 days (2022: 128 days) working	(Liters)	13 200 000	25 600 000
Actual production	(Liters)	6 043 039	11 976 822
Major reason for low production was due to non-availability of raw material at feasible prices.			
Textile			
Capacity (converted in 20s counts)	(Kgs)	9 198 418	9 198 418
Actual production (converted in 20s counts)	(Kgs)		
The textile unit remained closed due to non-availability of raw materials at feasible price and higher electricity rates.			

39. SEGMENT INFORMATION

Rupees in thousand

	Sugar		Biofuel		Textile		Farms		Elimination of Inter-segment transactions		Total - Company	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from contracts with customers												
External	7,706,461	9,369,021	1,853,328	2,650,538	-	259,872	2,035	46,139	-	-	9,561,824	12,325,570
Inter segment	1,394,627	1,361,840	31,793	71,277	-	-	1,509	8,010	(1,427,929)	(1,441,127)	-	-
	9,101,088	10,730,861	1,885,121	2,721,815	-	259,872	3,544	54,149	(1,427,929)	(1,441,127)	9,561,824	12,325,570
Cost of sales	(9,492,347)	(10,809,116)	(1,749,491)	(2,204,090)	(66,885)	(322,939)	(3,745)	(59,839)	1,427,929	1,441,127	(9,884,539)	(11,954,857)
Gross (loss) / profit	(391,259)	(78,255)	135,630	517,725	(66,885)	(63,067)	(201)	(5,690)	-	-	(322,715)	370,713
Distribution cost	(16,576)	(16,218)	(88,018)	(166,831)	(1,149)	(1,145)	-	-	-	-	(105,743)	(184,194)
Administrative expenses	(299,989)	(265,451)	(62,130)	(67,078)	(38,169)	(44,701)	(45)	(773)	-	-	(400,333)	(378,003)
(Loss) / profit before taxation and unallocated expenses / income	(707,824)	(359,924)	(14,518)	283,816	(106,203)	(108,913)	(246)	(6,463)	-	-	(828,791)	(191,484)
Unallocated expenses / income:												
Other expenses											(106,802)	(19,817)
Other income											347,825	145,265
Finance cost											(362,770)	(336,298)
Share of profit from equity accounted investee											87,325	64,196
Taxation											316,994	112,836
Loss after taxation											546,219	(225,302)

39.1 Reconciliation of reportable segment assets and liabilities:

Rupees in thousand

	Sugar		Biofuel		Textile		Farms		Total - Company	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Total assets for reportable segments	9,430,410	9,795,069	5,967,349	5,130,872	547,422	590,394	661,429	649,536	16,606,610	16,165,871
Unallocated assets									2,416,911	2,396,134
Total assets as per statement of financial position									19,023,521	18,562,005
Total liabilities for reportable segments	5,136,197	5,012,760	1,866,164	1,481,308	142,403	211,319	17,402	20,430	7,162,166	6,725,817
Unallocated liabilities									1,689,755	1,327,792
Total liabilities as per statement of financial position									8,851,921	8,053,609

39.2 Geographical information

The Company's segment wise revenue from external customers as per geographical locations is detailed below:

Rupees in thousand

	Sugar		Biofuel		Textile		Farms		Total - Company	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Netherlands	-	-	628,829	1,998,553	-	-	-	-	628,829	1,998,553
Italy	-	-	-	346,101	-	-	-	-	-	346,101
Taiwan	-	-	147,371	-	-	-	-	-	147,371	-
United Kingdom	-	-	384,053	-	-	-	-	-	384,053	-
Damam			14,001						14,001	
Afganistan	475,885								475,885	
Thailand	-	-	18,810	-	-	-	-	-	18,810	-
Pakistan	7,230,576	9,369,021	660,264	305,884	-	259,872	2,035	46,139	7,892,875	9,980,916
	7,706,461	9,369,021	1,853,328	2,650,538	-	259,872	2,035	46,139	9,561,824	12,325,570

39.3 The Company's revenue from external customers in respect of products is detailed below:

	Sugar		Biofuel		Textile		Farms		Total - Company	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Sugar	7,586,377	8,667,139	-	-	-	-	-	-	7,586,377	8,667,139
By-products	120,084	701,882	444,559	5,199	-	-	-	-	564,643	707,081
Biofuel	-	-	1,408,769	2,645,339	-	-	-	-	1,408,769	2,645,339
Yarn, polyester and cotton	-	-	-	-	-	259,665	-	-	-	259,665
Farm	-	-	-	-	-	-	2,035	46,139	2,035	46,139
Waste	-	-	-	-	-	207	-	-	-	207
	7,706,461	9,369,021	1,853,328	2,650,538	-	259,872	2,035	46,139	9,561,824	12,325,570

39.4 All non-current assets of the Company as at reporting dates are located and operating in Pakistan.

40. FINANCIAL RISK MANAGEMENT

40.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

(a) Market risk

A market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as currency risk, other price risk and interest rate risk. The objective of market risk management is to manage and control market risk exposure within an acceptable range.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Company is not exposed to any currency risk at statement of financial position date as it doesn't have any outstanding balance in foreign currency.

(ii) Other price risk

Other price risk represents 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), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to commodity price risk.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange Limited (PSX) Index on the Company's equity (fair value reserve of FVTOCI investments). The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Company's equity instruments moved according to the historical correlation with the index:

Index	Impact on statement of other comprehensive income (fair value reserve)	
	2023	2022
	Rupees in thousand	
PSX 100 (5% increase)	229	339
PSX 100 (5% decrease)	(229)	(339)

Equity (fair value reserve) would increase / decrease as a result of gains / losses on equity investments classified as fair value through other comprehensive income.

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk arises from long term financing, short term borrowings and deposit in saving accounts. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments at fixed rate expose the Company to fair value interest rate risk.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	2023	2022
	Rupees in thousand	
Fixed rate instruments		
Financial liabilities		
Long term financing	-	41,413
Floating rate instruments		
Financial assets		
Bank balances - saving accounts	1,112	599
Financial liabilities		
Long term financing	225,000	-
Short term borrowings	672,500	935,000

Fair value sensitivity for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the year end date, fluctuates by 1% higher / lower with all other variables held constant, loss after taxation for the year would have been Rs. 8.98 million (2022: Rs. 9.34 million) higher / lower mainly as a result of higher / lower interest expense / income on floating rate financial instruments. This analysis is prepared assuming the amounts of financial instruments outstanding at reporting dates were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2023	2022
	Rupees in thousand	
Investments	4,579	6,777
Trade debts	137,753	65,085
Loans and advances	1,553	2,980
Deposits	36,135	36,135
Other receivables	21,264	18,971
Bank balances	62,980	29,893
	264,264	159,841

To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Sales contracts and credit terms are approved by the senior management and where considered necessary, advance payments are obtained from certain parties. The management has set a maximum credit period limit for each type of customers in order to reduce the credit risk.

The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts. Management uses actual historical credit loss experience, credit risk characteristics and past days due, adjusted for forward-looking factors specific to the debtors and the economic environment to determine expected credit loss allowance.

The Company's exposure to credit risk and allowance for expected credit losses related to trade debts is disclosed in Note 19.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating			2023	2022
Banks	Short term	Long term	Agency	Rupees in thousand	
Conventional accounts					
Allied Bank Limited	A1+	AAA	PACRA	33	3
Bank Alfalah Limited	A1+	AA+	PACRA	309	65
Habib Bank Limited	A-1+	AAA	VIS	2,936	1,890
MCB Bank Limited	A1+	AAA	PACRA	55,448	14,202
National Bank of Pakistan	A-1+	AAA	VIS	237	362
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	29	29
Askari Bank Limited	A1+	AA+	PACRA	3	1
United Bank Limited	A-1+	AAA	VIS	14	11
				59,009	16,563
Shariah compliant accounts					
Askari Bank Limited	A1+	AA+	PACRA	10	12
BankIslami Pakistan Limited	A1	AA-	PACRA	131	10,958
Bank Alfalah Limited	A1+	AA+	PACRA	15	15
Dubai Islamic Bank Pakistan Limited	A-1+	AA	VIS	5	39
Meezan Bank Limited	A-1+	AAA	VIS	3,810	2,306
				3,971	13,330
				62,980	29,893

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At 30 September 2023, the Company had Rs. 672.50 million (2022: Rs. 1,034.30 million) available borrowing limits from financial institutions and Rs. 63.42 million (2022: Rs. 30.64 million) cash and bank balances. Management believes the liquidity risk to be low. Followings are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the tables are undiscounted cash flows.

Contractual maturities of financial liabilities as at 30 September 2023:

Rupees in thousand

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	More than 1 year
Non-derivative financial liabilities:					
Long term financing	225,000	225,000	13,235	26,470	185,295
Trade and other payables	2,398,219	2,398,219	2,398,219	-	-
Unclaimed dividend	1,916	1,916	1,916	-	-
Accrued mark-up	76,806	76,806	76,806	-	-
Short term borrowings	672,500	672,500	672,500	-	-
	3,374,441	3,374,441	3,162,676	26,470	185,295

Contractual maturities of financial liabilities as at 30 September 2022:

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	More than 1 year
Non-derivative financial liabilities:					
Long term financing	41,413	41,422	41,422	-	-
Trade and other payables	958,328	958,328	958,328	-	-
Unclaimed dividend	1,916	1,916	1,916	-	-
Accrued mark-up	52,735	52,735	52,735	-	-
Short term borrowings	935,000	953,607	953,607	-	-
	1,989,392	2,008,008	2,008,008	-	-

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark up rates effective as at 30 September. The rates of interest / mark-up have been disclosed in Note 5 and Note 9 to these financial statements.

Carrying amount of long term financing as at 30 September 2023 includes overdue installments of principal amounting to Nil (2022: Rs. 41.41 million).

40.2 Financial instruments by categories

	2023			2022		
	At amortized cost	At FVTOCI	Total	At amor -tized cost	At FVTOCI	Total
	Rupees in thousand					
Assets as per statement of financial position						
Investments	-	4,579	4,579	-	6,777	6,777
Loans and advances	1,553	-	1,553	2,980	-	2,980
Deposits	36,135	-	36,135	36,135	-	36,135
Other receivables	21,264	-	21,264	18,971	-	18,971
Trade debts	137,753	-	137,753	65,085	-	65,085
Cash and bank balances	63,421	-	63,421	30,639	-	30,639
	260,126	4,579	264,705	153,810	6,777	160,587

	2023	2022
	Rupees in thousand	
Liabilities as per statement of financial position	At amortized cost	
Long term financing	225,000	41,413
Short term borrowings	672,500	935,000
Trade and other payables	2,398,219	958,328
Accrued mark-up	76,806	52,735
Unclaimed dividend	1,916	1,916
	3,374,441	1,989,392

40.3 Reconciliation of financial assets and financial liabilities to the line items presented in the statement of financial position is as follows:

	2023			2022		
	Financial assets	Other than financial assets	Total as per statement of financial position	Financial assets	Other than financial assets	Total as per statement of financial position
	Rupees in thousand					
Assets as per statement of financial position						
Investments	4,579	1,932,641	1,937,220	6,777	1,908,960	1,915,737
Loans and advances	1,553	179,527	181,080	2,980	266,966	269,946
Deposits	36,135	-	36,135	36,135	-	36,135
Prepayments and other receivables	21,264	287,375	308,639	18,971	303,200	322,171
Trade debts	137,753	-	137,753	65,085	-	65,085
Cash and bank balances	63,421	-	63,421	30,639	-	30,639
	264,705	2,399,543	2,664,248	160,587	2,479,126	2,639,713

Rupees in thousand

Liabilities as per statement of financial position	2023			2022		
	Financial liabilities	Other than financial liabilities	Total as per statement of financial position	Financial liabilities	Other than financial liabilities	Total as per statement of financial position
Long term financing	225,000	-	225,000	41,413	-	41,413
Short term borrowings	672,500	-	672,500	935,000	-	935,000
Trade and other payables	2,398,219	2,393,764	4,791,983	958,328	2,451,524	3,409,852
Accrued mark-up	76,806	-	76,806	52,735	-	52,735
Unclaimed dividend	1,916	-	1,916	1,916	-	1,916
	3,374,441	2,393,764	5,768,205	1,989,392	2,451,524	4,440,916

40.4 Offsetting financial assets and financial liabilities

As on reporting date, recognized financial instruments are not subject to offsetting as there are no enforceable master netting arrangements and similar agreements.

40.5 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain strong capital base. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends to be paid to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent long term financing and short term borrowings obtained by the Company as referred in Note 5 and Note 9. Total capital employed includes 'total equity' as shown in the statement of financial position plus 'borrowings'. The Company's strategy remained unchanged from last year.

		2023	2022
Borrowings	Rupees in thousand	897,500	976,413
Total equity	Rupees in thousand	10,171,600	10,508,396
Total capital employed	Rupees in thousand	11,069,100	11,484,809
Gearing ratio	Percentage	8.11	8.50

Decrease in gearing ratio resulted primarily due to decrease in borrowings.

41. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into following three levels. An explanation of each level follows underneath the table:

Rupees in thousand

Recurring fair value measurements	Level 1	Level 2	Level 3	Total
Financial assets				
At 30 September 2023				
At fair value through other comprehensive income	4,579	-	-	4,579
At 30 September 2022				
At fair value through other comprehensive income	6,777	-	-	6,777

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to the short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer out of level 3 measurements.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation technique used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices for listed securities.

42. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

The judgements and estimates are made for the non-financial assets that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels.

Rupees in thousand

	Level 1	Level 2	Level 3	Total
At 30 September 2023				
Recurring fair value measurements				
Freehold land	-	2,906,905	-	2,906,905
Building	-	1,220,492	-	1,220,492
Plant and machinery	-	10,105,092	-	10,105,092
Biological assets	-	28,889	1,632	30,521
Total non-financial assets	-	14,261,378	1,632	14,263,010

	Level 1	Level 2	Level 3	Total
				Rupees in thousand
At 30 September 2022				
Recurring fair value measurements				
Freehold land	-	2,906,905	-	2,906,905
Building	-	1,319,488	-	1,319,488
Plant and machinery	-	10,826,398	-	10,826,398
Biological assets	-	30,204	2,881	33,085
Total non-financial assets	-	15,082,995	2,881	15,085,876

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further, there was no transfer in and out of level 3 measurements.

(ii) Valuation techniques used to determine level 2 fair values

The Company obtains independent valuation for its freehold land, building, plant and machinery at least after every three years. The management updates the assessment of the fair value of property, plant and equipment taking into account the most recent independent valuation. The management determines the value of these assets within a range of reasonable fair value estimates. The best evidence of fair value of land is current prices in an active market for similar lands. The best evidence of fair value of building is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the new construction / replacement value of the same building. The best evidence of fair value of plant and machinery is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the value of new plant and machinery of the same specifications. The fair value of standing crops is based on the support price fixed by the Government and other factors such as estimated crop yield and area under cultivation. The fair value of livestock is estimated on the basis of market prices of livestock of similar age, breed and genetic merit.

Valuation processes

The Company engages external, independent and qualified valuer to determine the fair value of the Company's freehold land, building, plant and machinery after three years. The fair value of these assets has been determined by an independent valuer Messrs Hamid Mukhtar and Company (Private) Limited on 30 September 2021. The fair value of biological assets are determined by the related experts keeping in view the current market conditions and other salient factors.

43. DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX

Description	NOTE	2023	2022
		Rupees in thousand	
Revenue earned from shariah compliant business	24	-	12,325,570
Gain / (loss) or dividend earned from shariah complaint investments			
Unrealized loss on remeasurement of investments at FVTOCI		-	(3,323)
Net exchange gain	29	-	46,489
Shariah compliant bank deposits and bank balances			
Bank balances	40	-	13,330
Profit earned from shariah compliant bank deposits			
Profit on deposits with banks	29	-	1
Mark-up accrued on Islamic mode of financing	37	-	47,225
Profit earned or interest paid on any conventional loan / advance			
Mark-up on long term financing	30	-	29,200
Mark-up on short term borrowings	30	-	78,469
Profit earned on deposits with banks	29	-	312
Loans / advances obtained as per Islamic mode			
Contract liabilities	8	-	361,048
Short term borrowings	9	-	425,000

There was no dividend on any investment. The relationship with shariah compliant banks is related to bank accounts as given in Note 40.1(b) and short term borrowings obtained from BankIslami Pakistan Limited, a related party as mentioned in Note 9.1.

With regard to Notice No. 666 of Pakistan Stock Exchange Limited, the Company was delisted from Islamic index with effect from 10 July 2023.

44. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of better presentation and comparison. However, no significant re-arrangements have been made.

45. EVENTS AFTER THE END OF REPORTING PERIOD

There were no significant adjustable events subsequent to 30 September 2023 which may require an adjustment to the financial statements or additional disclosure.

46. DATE OF AUTHORIZATION

These financial statements have been authorized for issue on 06 February 2024 by the Board of Directors of the Company.

47. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.

Chief Executive Officer	Director	Chief Financial Officer

Shakarganj Limited

Financial Statements (Consolidated)

For The Year Ended
30 September 2023

CONSOLIDATED DIRECTORS' REPORT

The directors of Shakarganj Limited have pleasure in presenting their report together with the audited consolidated financial statements of the Group for the year ended 30 September 2023. The Group comprises of Shakarganj Limited and its partially owned subsidiary namely Shakarganj Food Products Limited.

The comments on performance of Shakarganj Limited for the year ended 30 September 2023 has been presented separately in directors' report.

Group Financial Performance:

The financial results of the Group are summarised below:

		30 September 2023	30 September 2022
		Rupees in thousand	
Revenue		24,598,876	30,309,676
Gross profit		2,242,919	2,838,922
Profit from operations		552,703	404,027
Profit before taxation		(217,205)	(330,429)
Taxation		(224,716)	176,894
Profit / (loss) for the period		(441,921)	(153,535)
Profit / (loss) per share - basic and diluted	(Rupees)	(4.17)	(1.69)

On a Group basis, the consolidated, gross profit for the year was Rs. 2,242.92 million as compared to Rs. 2,838.92 million in the previous year. Balance sheet footing stood at Rs. 27,396.47 million as at 30 September 2023, compared to Rs. 27,149.95 million as at 30 September 2022. Total equity decreased to Rs. 11,856.47 million on the year end 30 September 2023 from Rs. 12,146.81 million as at 30 September 2022.

Subsequent Events and Commitments

No material changes and commitments affecting the financial position of the Shakarganj Group have occurred between the end of the financial period to which this balance sheet relates and the date of the consolidated directors' report.

Acknowledgment

The Directors wish to express their appreciation to the staff & workers of the Company for their dedication and devotion to the Company. The Directors feel pleasure in expressing appreciation for the continued interest and support of the shareholders, bankers and all other parties involved and hope that the same spirit will prevail in the future as well.

By Order of the Board

06 February 2024

Muhammad Saif Ullah
Chief Executive Officer

Ali Altaf Saleem
Director

INDEPENDENT AUDITOR'S REPORT

To the members of Shakarganj Limited

Report on the Audit of the Consolidated Financial Statements

Adverse Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters discussed in the Basis for Adverse Opinion section of our report, the consolidated financial statements do not give a true and fair view of the consolidated financial position of the Group as at 30 September 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Adverse Opinion

The Group has suffered loss after taxation of Rs. 441.92 million during the current year and has accumulated losses of Rs. 2,886.49 million as at the reporting date. The current liabilities of the Group exceeded its current assets by Rs. 4,594.51 million. The Holding Company has overdue statutory obligations. The textile segment of the Holding Company remained closed during the whole year. The management of the Holding Company has firmed up a turnaround plan based on disposal of the Bhone Unit of the Holding Company which includes Sugar and Biofuel divisions. However, we noted that certain shareholders of the Holding Company have filed petitions in Sindh High Court, Karachi and Lahore High Court, Lahore and obtained stay on 29 November 2021 and 25 February 2022 respectively from the respective Courts regarding the approval of disposal of certain agricultural land of the Holding Company. As the going concern assumption used in preparation of these consolidated financial statements is dependent upon roll out of the aforesaid turnaround plan and whose roll out requires prior approval of shareholders of the Holding Company in their general meeting and such approval of shareholders and disposal of the Bhone Unit is unlikely in current litigation scenario, hence this situation indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. These consolidated financial statements do not adequately disclose this fact.

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

Key Audit Matters

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

In addition to the matters described in Basis of Adverse Opinion section of our report, we have determined the matters described below to be the key audit matters to communicate in our report.

S.No.	Key audit matters	How the matters were addressed in our audit
1.	Contingencies As disclosed in Note 14 to the accompanying Consolidated financial statements, the Holding Company has contingent liabilities in respect of various matters, which are pending adjudication before respective authorities and courts of law. Management has engaged independent lawyers and legal advisors on these matters. Accounting for and disclosures of contingencies is complex and a matter of significance in our audit because judgments and estimates may be required against such contingencies in accordance with applicable financial reporting standards, in relation to the interpretation of laws, statutory rules and regulations, and the probability of outcome and financial impacts, if any, on the Holding Company for disclosure and recognition and measurement of any provisions. Due to the significance of the amounts involved, uncertainties regarding the outcome of certain matters, and the utilization of substantial management judgments and estimates to assess the same, including the associated financial impacts, we have identified these as a key audit matter. For further information on contingencies, refer to the following: - Summary of significant accounting policies, - Contingencies [Note 2.1(c)] to the consolidated financial statements.	Our audit procedures among others included obtaining an understanding of the process and controls on this area relevant to our audit. Further, we have: • Obtained the letter received from the authorities and reviewed to understand the basis of claims and details of the pending matters. The same was discussed with the Holding Company's management. • Reviewed the correspondence of the Company with the relevant authorities, tax and legal advisors, including judgments or orders passed by the competent authorities, in relation to the issues involved or matters which have similarities with the issues involved • Obtained and reviewed confirmations from the Holding Company's external tax and legal advisors for their views on the probable outcome of the open tax assessments and other contingencies. • Discussed with in house legal department personnel of the Holding company, remit and scope of the legislation and to assess reasonableness of management's conclusions on such pending matters. • Reviewed and evaluated the adequacy of disclosures made in respect of such contingencies in notes to consolidated financial statements, to conclude as to

		whether the disclosure is sufficient for compliance with IAS-37 "Provisions, Contingent Liabilities and Contingent Assets".
2.	Revenue Recognition The Group recognized revenue of Rs. 24,598.87 million for the year ended 30 September 2023. We have designated the recognition of revenue as a key audit matter due to its pivotal role as a critical success factor for the Group and is also a key performance indicator. The inherent risk associated with revenue centers around the potential for misstatement to align with expectations or targets. For further information on revenue recognition, refer to the following: - Summary of significant accounting policies, Revenue from contracts with customers (Note 2.3 to the consolidated financial statements). - Revenue from contracts with customers (Note 30 to the consolidated financial statements).	Our procedures included, but were not limited to: • We obtained an understanding of the process relating to recognition of revenue and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue. • We compared a sample of revenue transactions recorded during the year and close to the year end with sales orders, sales invoices, delivery documents and other relevant underlying document, to determine whether revenue was properly authorized and recorded in the appropriate accounting period. • Reviewed significant sales returns and credit memos issued during the period as well as subsequent to the balance sheet date to determine whether they were properly authorized and recorded in the appropriate accounting period. • Discussed with appropriate client's personnel the accounting policies stated and followed with respect to revenue recognition and considered the appropriateness of accounting policies, accounting treatment and adequacy of disclosures in the financial statements as per IFRS-15 "Revenue from Contracts with Customers".

3.	EXISTENCE AND VALUATION OF STOCK IN TRADE
	
	Refer Note 23 to the Consolidated Financial statements. The stock in trade balances constitutes 8% of the total assets of the Group. The cost of finished goods is determined Rs. 814.85 million.
	
	The Holding company adheres to a valuation policy for stock-in-trade, valuing it at the lower of cost or net realizable value. The assessment of stock-in-trade involves substantial management judgment to determine the appropriate costing basis.
	
	Since inventory constitutes a material
		Our procedures included, but were not limited to:
		
		• Evaluated and tested controls over:
		
		  • Inventory count procedures
		  • Updates to the perpetual inventory records
		  • Updates to component costs
		  • The interface between inventory and cost accounting systems

	amount, and cast physical verification challenges, for that the auditor needs to assess the risk of fraud in relation to existence of inventory. The material impact on Consolidated Financial statements necessitates a thorough evaluation to detect potential misstatements, ensuring accurate and reliable reporting. Given the material importance of stock-in-trade, the inherent complexities in its valuation, verification of existence, and the substantial reliance on management judgment and estimation in applying costing methodologies, we identified it as a key audit matter.	• For a sample of manufactured items obtained cost sheets and confirmed: • Raw materials costs to recent purchased invoices • Labor costs to timesheets or wage records • Re-performed calculations • Vouched labor costs to payroll • Overheads allocated are of a product's nature. Verified the existence of inventory by examining the supporting documentations i.e. Goods received notes, inventory transferred records, and by attending the physical inventory count. Assessed the adequacy of disclosures in the financial statements to be in accordance with the IAS-2 "Inventories".

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

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Consolidated Financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact.

When we read the annual report, if we conclude that there is material misstatement therein we are required to communicate the matter to those charged with governance and report the same to the shareholders of the Company.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial statements, including the disclosures, and whether the Consolidated Financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Other Matter

The financial statements of the Group for the year ended 30 September 2022, were audited by another firm of chartered accountants who expressed an adverse opinion on those financial statements on 01 February 2023. The basis of adverse opinion was:

> *"The Group has suffered loss after taxation of Rs. 153.53 million during the current year and has accumulated losses of Rs. 3,380.02 million as at the reporting date. The current liabilities of the Group exceeded its current assets by Rs. 6,317.17 million. The Holding Company has overdue statutory obligations. The textile segment of the Holding Company remained closed during the whole year. The management of the Holding Company has firmed up a turnaround plan based on disposal of the Bhone Unit of the Holding Company which includes Sugar and Biofuel divisions. However, we noted that certain shareholders of the Holding Company have filed petitions in Sindh High Court, Karachi and Lahore High Court, Lahore and obtained stay on 29 November 2021 and 25 February 2022 respectively from the respective Courts regarding the approval of disposal of certain agricultural land of the Holding Company. As the going concern assumption used in preparation of these consolidated financial statements is dependent upon roll out of the aforesaid turnaround plan and whose roll out requires prior approval of shareholders of the Holding Company in their general meeting and such approval of shareholders and disposal of the Bhone Unit is unlikely in current litigation scenario, hence this situation indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. These consolidated financial statements do not adequately disclose this fact."*

The engagement partner on the audit resulting in this independent auditor's report is Mr. Ijaz Akber-FCA.

HLB Ijaz Tabussum & Co

Islamabad
Date: 15 February 2024
UDIN: AR202310415ICPv6EkNn

HLB Ijaz Tabussum & Co.
Chartered Accountants

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As AT 30 SEPTEMBER 2023

	NOTE	2023	2022
		Rupees in thousand	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
150 000 000 (30 September 2022: 150 000 000) ordinary shares of Rs. 10 each		1,500,000	1,500,000
50 000 000 (30 September 2022: 50 000 000) preference shares of Rs. 10 each		500,000	500,000
		2,000,000	2,000,000
Issued, subscribed and paid up share capital	3	1,250,000	1,250,000
Capital reserves			
Surplus on revaluation of property, plant and equipment - net of deferred income tax	4	10,560,835	10,849,580
Other capital reserves	4	1,240,582	1,240,909
		11,801,417	12,090,489
Revenue reserves		-	516,306
		11,801,417	12,606,795
Accumulated loss		(2,886,495)	(3,380,018)
Equity attributable to equity holders of the Holding Company		10,164,922	10,476,777
Non-controlling interest	46	1,691,548	1,670,029
TOTAL EQUITY		11,856,470	12,146,806
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	5	216,544	327,500
Lease liabilities	6	142,548	328,007
Deferred liabilities	7	1,138,400	833,210
Deferred income tax liability	8	2,715,215	2,840,932
		4,212,707	4,329,649
CURRENT LIABILITIES			
Trade and other payables	9	9,323,219	8,391,203
Musharakah financing	10	149,452	130,396
Short term borrowings	11	1,024,700	1,384,899
Accrued mark-up	12	167,160	128,048
Current portion of non-current liabilities	13	645,412	499,224
Unclaimed dividend		1,916	1,916
Provision for taxation		15,429	137,809
		11,327,288	10,673,495
TOTAL LIABILITIES		15,539,995	15,003,144
CONTINGENCIES AND COMMITMENTS	14		
TOTAL EQUITY AND LIABILITIES		27,396,465	27,149,950

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

Chief Executive Officer

	NOTE	2023	2022
		Rupees in thousand	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	15	19,920,078	21,455,737
Right-of-use assets	16	572,272	1,292,499
Intangible asset	17	1,146	2,291
Biological assets	18	28,889	30,204
Investments	19	4,579	6,777
Long term loans and advances	20	16,462	14,231
Long term deposits	21	120,264	122,282
		20,663,690	22,924,021
CURRENT ASSETS			
Biological assets	18	1,632	2,881
Stores, spare parts and loose tools	22	339,434	271,805
Stock-in-trade	23	2,192,296	1,323,446
Trade debts	24	187,750	196,935
Loans and advances	25	243,492	309,452
Deposits, prepayments and other receivables	26	2,104,011	1,329,363
Advance income tax		636,252	456,872
Short-term investment	27	-	55,000
Cash and bank balances	28	133,620	77,600
		5,838,487	4,023,354
Non-current assets held for sale	29	894,288	202,575
		6,732,775	4,225,929
TOTAL ASSETS		27,396,465	27,149,950

Director

Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	NOTE	2023	2022
		Rupees in thousand	
Revenue	30	24,598,876	30,309,676
Cost of Revenue	31	(22,355,957)	(27,470,754)
Gross profit		2,242,919	2,838,922
Distribution cost	32	(1,407,284)	(2,046,023)
Administrative expenses	33	(553,920)	(526,531)
Other expenses	34	(170,842)	(35,836)
Other income	35	441,830	173,495
Profit / (loss) from operations		552,703	404,027
Finance cost	36	(769,908)	(734,456)
Profit / (loss) before taxation		(217,205)	(330,429)
Ttaxation	37	(224,716)	176,894
Loss after taxation		(441,921)	(153,535)
Share of loss attributable to:			
Equity holders of holding company		(521,278)	(211,873)
Non-controlling interest	46	79,357	58,338
		(441,921)	(153,535)
Loss per share - basic and diluted (Rupees)	38	(4.17)	(1.69)

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

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	2023	2022
	Rupees in thousand	
PROFIT / (LOSS) AFTER TAXATION	(441,921)	(153,535)
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified subsequently to profit or loss:		
Surplus on revaluation of property, plant and equipment - net	-	345,319
Related deferred tax liability on revaluation	-	(90,122)
Effect of rate change	(143,971)	-
	(143,971)	255,197
Remeasurements of defined benefit obligations	(170,441)	(174,765)
Related deferred income tax liability	35,597	49,331
	(134,844)	(125,434)
Deficit arising on remeasurement of investments at fair value through other comprehensive income	(2,198)	(3,323)
Deferred income tax relating to investments at fair value through other comprehensive income	1,871	1,509
	(327)	(1,814)
	(279,142)	127,949
Items that may be reclassified subsequently to statement of profit or loss	-	-
Other comprehensive income for the year - net of deferred income Tax	(279,142)	127,949
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(721,063)	(25,586)
SHARE OF TOTAL COMPREHENSIVE INCOME / (LOSS) ATTRIBUTABLE TO:		
EQUITY HOLDERS OF HOLDING COMPANY	(742,582)	(201,085)
NON-CONTROLLING INTEREST	21,519	175,499
	(721,063)	(25,586)

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

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Rupees in thousand

		RESERVES														
		CAPITAL RESERVES						REVENUE RESERVES								
	SHARE CAPITAL	Premium on issue of right shares	Musharakah financing - equity portion	Fair value reserve of investments at fair value through other comprehensive income	Difference of capital under scheme of arrangement of merger	Surplus on revaluation of property, plant and equipment - net of deferred income tax	Sub total	General	Dividend equalization	Equity investment market value equalization	Sub total	Total Reserves	ACCUMU-LATED LOSS	SHAREHOL-DERS' EQUITY	NON-CONTROLL-ING INTEREST	TOTAL EQUITY
Balance as at 30 September 2021	1,250,000	1,056,373	72,523	(11,021)	155,930	11,955,684	13,229,489	516,306	-	-	516,306	13,745,795	(3,819,927)	11,175,868	1,505,102	12,680,970
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	-	(629,461)	(629,461)	-	-	-	-	(629,461)	629,461	-	-	-
Adjustment of deferred income tax liability due to re-assessment at year end	-		-	-		(486,373)	(486,373)	-	-	-	-	(486,373)	-	(486,373)	-	(486,373)
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment - net of deferred income tax	-	-	-	-	-	(123,967)	(123,967)	-	-	-	-	(123,967)	123,967	-	-	-
Conversion of partial musharakah facility in to short term borrowings	-	-	(31,082)	-	-	-	(31,082)	-	-	-	-	(31,082)	19,449	(11,633)	(10,572)	(22,205)
Loss for the year	-	-	-	-	-	-	-	-	-	-	-	-	(211,873)	(211,873)	58,338	(153,535)
Other comprehensive income for the year	-	-	-	(1,814)	-	133,697	131,883	-	-	-	-	131,883	(121,095)	10,788	117,161	127,949
Total comprehensive loss for the year	-	-	-	(1,814)	-	133,697	131,883	-	-	-	-	131,883	(332,968)	(201,085)	175,499	(25,586)
Balance as at 30 September 2022	1,250,000	1,056,373	41,441	(12,835)	155,930	10,849,580	12,090,489	516,306	-	-	516,306	12,606,795	(3,380,018)	10,476,777	1,670,029	12,146,806
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred income tax	-	-	-	-	-	(613,970)	(613,970)	-	-	-	-	(613,970)	613,970	-	-	-
Transfer from surplus on revaluation of property, plant and equipment on disposal of property, plant and equipment - net of deferred income tax	-	-	-	-	-	(30,076)	(30,076)	-	-	-	-	(30,076)	30,076	-	-	-
Adjustment of deferred income tax liability due to re-assessment at period end	-	-	-	-	-	430,727	430,727	-	-	-	-	430,727	-	430,727		430,727
Transfer from general reserve to retained earnings	-	-	-	-	-	-	-	(516,306)			(516,306)	(516,306)	516,306	-	-	-
Loss for the year	-	-	-	-	-	-	-	-	-	-	-	-	(521,278)	(521,278)	79,357	(441,921)
Other comprehensive loss for the period	-	-	-	(327)	-	(75,426)	(75,753)	-	-	-	-	(75,753)	(145,551)	(221,304)	(57,838)	(221,304)
Total comprehensive loss for the year	-	-	-	(327)	-	(75,426)	(75,753)	-	-	-	-	(75,753)	(666,829)	(742,582)	21,519	(721,063)
Balance as at 30 September 2023	1,250,000	1,056,373	41,441	(13,162)	155,930	10,560,835	11,801,417	-	-	-	-	11,801,417	(2,886,495)	10,164,922	1,691,548	11,856,470

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

Chief Executive Officer

Director

Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	NOTE	2023	2022
		Rupees in thousand	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	39	1,259,574	1,731,798
Finance cost paid		(687,947)	(641,757)
Net decrease in long term loans, advances		(2,231)	(1,321)
Net increase in long term security deposits		2,018	(129)
Employees' benefits paid		(80,830)	(58,823)
Workers' profit participation fund paid		(5,000)	(5,000)
Income tax paid		(327,970)	(471,361)
Net cash (used in) / generated from operating activities		157,614	553,407
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(151,627)	(298,658)
Proceeds from disposal of asset held for sale		461,341	174,599
Proceeds from disposal of property, plant and equipment		55,392	176,966
Investment made		-	(55,000)
Proceeds from sale of short term investment		55,000	-
Net cash used in investing activities		420,106	(2,093)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		(360,199)	(19,295)
Repayment of long term financing		(156,413)	(545,525)
Proceeds from long term financing		225,000	-
Lease liabilities - net		(230,088)	(193,092)
Dividend paid		-	(28)
Net cash used in financing activities		(521,700)	(757,940)
NET DECREASE IN CASH AND CASH EQUIVALENTS		56,020	(206,626)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR		77,600	284,226
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	28	133,620	77,600

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

Chief Executive Officer

Director

Chief Financial Officer

1. THE GROUP AND ITS OPERATIONS

The Group consists of Shakarganj Limited (the Holding Company) and its Subsidiary Company, Shakarganj Food Products Limited. Brief profiles of the Holding Company and its Subsidiary Company are as follows:

1.1 Shakarganj Limited

Shakarganj Limited (SML) is a public limited company incorporated on 20 September 1967 in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. It is principally engaged in manufacture, purchase and sale of sugar, biofuel and yarn. SL has its principal manufacturing facilities at Jhang and satellite manufacturing facilities at Bhone. The registered office of SL is situated at E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg-III, Lahore.

Geographical locations and addresses of all business units of SML except for the registered office are as follows:

Manufacturing units and offices	Adress
Jhang Unit (Sugar, biofuel and textile)	5 KM Toba Tek Singh Road, Jhang
Bhone Unit (Sugar and biofuel)	63 KM Jhang - Sargodha Road, Bhone, Tehsil and District
Jhang Liaison Office	Nishatabad, Chak Jhumra Road, Faisalabad

1.2 Shakarganj Food Products Limited

Shakarganj Food Products Limited (The Subsidiary Company) was incorporated in Pakistan initially as a private limited company on 03 April 2001 under the Companies Ordinance, 1984 (Now Companies Act, 2017). Its name was later changed from A.M. Fruit Products (Private) Limited to Shakarganj Food Products Limited along with change of its status from private limited to public limited on 03 January 2006. The principal activity of the Subsidiary Company is manufacturing, processing and sale of food products (dairy, fruit pulps and concentrate juices). The registered office of the Subsidiary Company is situated at E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg-III, Lahore.

Geographical locations and addresses of all business units of The Subsidiary Company except for the registered office are as follows:

Manufacturing Unit	Address
Dairy Plant	4 KM Lahore Road, Jaranwala
Juice Plant	15 KM Sargodha Road, Near Ahmad Nagar, Tehsil Lalian, District Chiniot
Fruit procurement center	Chak No. 13 S.B. Ajnala Station, Muazzamabad Road, Tehsil Bhalwal, District Sargodha

SML held 52.39% shares of SFPL as at 30 September 2023 (2022: 52.39%)

1.3 Going concern assumption

The Holding Company has suffered loss after taxation of Rs. 546.22 million and its accumulated losses are of Rs. 2,797.84 million as at 30 September 2023. The Holding Company has transferred the General Revenue Reserve to its accumulated losses in this year of Rs. 516.31 million. The current liabilities of the Holding Company exceeded its current assets by Rs. 3,238.93 million. Moreover, the Holding Company has overdue statutory obligations. Furthermore Textile segment of the Holding Company remained closed during the whole year. Certain shareholders of the Holding Company have applied to Sindh High Court, Karachi and Lahore High Court, Lahore and obtained stay on 29 November 2021 and 25 February 2022 respectively from the respective courts regarding the approval of disposal of certain agricultural land of the Holding Company. These factors indicate the existence of material uncertainty which may cast significant doubt about the Holding Company's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, the financial statements of the Holding Company have been prepared on going concern basis due to following reasons:

- The Holding Company is making arrangements to sell its agriculture land having market value of Rs. 755.55 million. For this purpose, approval of shareholders has been obtained in Annual General Meeting of the Holding Company held on 28 February 2022 subject to further orders of Lahore High Court, Lahore and Sindh High Court, Karachi along with no objection from lenders. The proceeds through disposal of land will be utilized by the Holding Company to pay to sugarcane growers and to settle the other liabilities of the Holding Company while the remaining proceeds will be utilized for upgradation of plant and machinery of textile and sugar divisions at Jhang.

- The management of the Holding Company has firmed up a turnaround plan based on disposal of the Bhone Unit of the Holding Company which includes Sugar and Biofuel divisions. Book value of freehold land, building and plant and machinery as at 30 September 2023 is Rs. 7.64 billion. Price discovery by the management for the whole Bhone Unit of the Holding Company including related licenses / rights when built in the future plan results in debt free business, surplus funds and profits for the Holding Company. The management has planned to seek required approvals for roll out of the turnaround plan before the end of financial year 30 September 2024.

- One of the largest shareholders of the Holding Company has affirmed its commitment to fully financially support the Holding Company, in case of any need.

- The Holding Company is in the process of installing the falling film evaporators. Falling film evaporators are alternative to Robert type evaporators and help to improve the optimization of the evaporator's station and energy efficiency of the plant. The percentage of steam's usage will be reduced by 9%. It would also increase the recovery ratio accordingly.

- The Holding Company remains committed to its best efforts to improve liquidity position. The financial projections of the Holding Company show improvements in cash generation and profits. The management considers that the measures as explained above would result in availability of adequate financial resources for the Holding Company to sustain the continuity of its business for the foreseeable future and thus maintain its going concern status. Accordingly, the financial statements of the Holding Company have been prepared on a going concern basis which assumes that the Holding Company will continue to operate its business, realize its assets, and discharge its liabilities, in the normal course of business.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

2.1 Basis of preparation

a) Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFASs) issued by the Institute of Chartered Accountants of Pakistan (ICAP), as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRSs and IFASs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

b) Accounting convention

These consolidated financial statements have been prepared under the historical cost convention except otherwise stated in the respective accounting policies.

c) Critical accounting estimates and judgments

The preparation of these consolidated financial statements in conformity with the approved accounting and reporting standards, as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates underlying the assumptions are reviewed on an ongoing basis. Revisions to Group's accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Information about the judgements made by the Group's management in the application of accounting policies, that have the most significant affect on the amounts recognized in these consolidated financial statements, assumptions and estimation uncertainties with significant risk of material adjustment to the carrying amount of assets and liabilities in the next year are as follows:

Useful lives, patterns of economic benefits and impairments

The estimates for revalued amounts of different classes of property, plant and equipment are based on valuation performed by external professional valuers and recommendations of technical teams of the Group. The said recommendations also include estimates with respect to residual values and depreciable lives. Further, the Group reviews the value of the assets for possible impairment on an annual basis. Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Group. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

Inventories

Net realizable value of inventories is determined with reference to currently prevailing selling prices less estimated expenditure to make sales. Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions.

Taxation

In making the estimates for income tax currently payable by the Group, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on the tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date. Deferred income tax assets are recognized for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, based on the Group's experience of actual credit loss in past years.

Revenue from contracts with customers involving sale of goods

When recognizing revenue in relation to the sale of goods to customers, the key performance obligation of the Group is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Provision for obsolescence of stores, spare parts and loose tools

The Group reviews the carrying amount of stores, spare parts and loose tools on regular basis and provision for obsolescence is made if there is any change in usage pattern and physical form of stores, spare parts and loose tools.

Employees' benefits

Certain actuarial assumptions have been adopted as disclosed in Note 7.2 to the consolidated financial statements for determination of present value of defined benefit obligations. Changes in these assumptions in future years may affect the liability under these schemes in those years.

Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the consolidated statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

Contingencies

The Group reviews the status of all pending litigations and claims against the Group. Based on the judgment and the advice of the legal and tax advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the consolidated statement of financial position date.

d) Standards, Interpretations and amendments to Published approved accounting standards that are effective but not relevant:

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

• Amendments to IFRS-3 'Business Combinations'-Reference to the Conceptual Framework
• Amendments to IAS 16 'Property, Plant and Equipment'-
• Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'-Onerous Contracts-Cost of fulfilling a contract.
• Annual Improvements to IFRS Standards 2018-2020 Cycle (related to IFRS 9, IFRS 16 and IAS 41).

e) Standards, interpretations and amendments to published approved accounting standards that are not yet effective :

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

	Effective from accounting period beginning on or after:
-Amendments to IAS 1 'Presentation of Financial Statements'-Disclosure of accounting policies	01 January 2024
-Amendments to IAS 8 'Accounting Policies, Change in Accounting Estimates and Errors'-Definition of accounting estimates	01 January 2023
-Amendments to IAS 12 'Income taxes'-deferred tax related to assets and liabilities arising from a single transaction	01 January 2023
-Amendments to IAS 7 'Statement of Cash flows'-Supplier Finance agreements	01 January 2024
-Amendments to IAS 1 'Presentation of Financial Statements'-Non current liabilities with covenants	01 January 2024
-Amendments to IFRS 16 'Leases'-Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	01 January 2024

-Amendments to IFRS 7 'Financial Instruments ': Disclosures-Supplier finance arrangements	01 January 2024

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS-1 First Time Adoption of International Financial Reporting Standards
IFRS-17 Insurance Contracts

The above amendments and improvements are likely to have no significant impact on the financial stater

2.2 Consolidation

Subsidiary is the company over which the Group has control. The Group controls a company when the Group is exposed to, or has rights to variable returns from its involvement with the company and has the ability to affect those returns through its power to direct the activities of the company. Subsidiary is fully consolidated from the date on which the control is transferred to the Group. These are deconsolidated from the date the control ceases.

The assets and liabilities of the Subsidiary Company has been consolidated on a line-by-line basis and the carrying value of the investment held by the Holding Company is eliminated against the Holding Company's share in paid up capital of the Subsidiary Company.

Intragroup balances and transactions are eliminated.

Non-controlling interest is that part of net results of operations and of net assets of the Subsidiary Company which is not owned by the Holding Company. Non-controlling interest is presented as a separate item in the consolidated financial statements.

2.3 Revenue from contracts with customers

i) Revenue recognition

Sale of goods

Revenue from the sale of goods is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Interest

Interest income is recognized as interest accrues using the effective interest method. This is a method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rent

Revenue is recognized when rent is accrued.

Dividend

Dividend on equity investments is recognized when right to receive the dividend is established.

Other revenue

Other revenue is recognized when it is received or when the right to receive payment is established.

ii) Contract assets

Contract assets arise when the Group performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due. Contract assets are

iii) Contract liabilities

Contract liability is the obligation of the Group to transfer goods to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Group performs its performance obligations under the contract.

iv) Refund liabilities

Refund liabilities are recognized where the Group receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the Group does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances.

v) Right of return assets

Right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

2.4 Intangible asset

Intangible asset is stated at cost less accumulated amortization and any identified impairment loss.

Amortization is charged to the consolidated statement of profit or loss on straight line basis so as to write off the cost of an asset over its estimated useful life. Amortization is charged from the month in which the asset is acquired or capitalized while no amortization is charged for the month in which the asset is disposed of.

2.5 Leases

a) Right-of-use assets

A right-of-use asset is recognized at the commencement date of a lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any identified impairment loss, except for plant and machinery, which are stated at revalued amount less subsequent accumulated depreciation and subsequent accumulated impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated using reducing balance method at the rates disclosed in Note 16, over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

The Company has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are recognized as expense when incurred.

b) Lease liabilities

A lease liability is recognized at the commencement date of a lease. The lease liability is initially recognized at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which these are incurred.

Lease liabilities are measured at amortized cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to consolidated statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

2.6 Financial instruments

i) Recognition, classification and measurement of financial instruments

Investments and other financial assets

a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through other comprehensive income, and
- those to be measured at amortized cost

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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Debt instrument

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into following measurement category:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on de-recognition is recognized directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses.

Equity instruments

The Group subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3). The Group classifies its equity instruments into following measurement category:

Fair Value Through Other Comprehensive Income (FVTOCI)

Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value. Dividend from such investments is recognized in consolidated statement of profit or loss as other income when the Group's right to receive payments is established.

Financial liabilities

Classification and measurement

Financial liabilities are classified at amortized cost. These are also subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in consolidated statement of profit or loss.

ii) Impairment of financial assets

The Group recognizes loss allowances for ECLs on financial assets measured at amortized cost. The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

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

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

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

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

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

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or
- it is probable that the debtor will enter bankruptcy or other financial reorganization.

iii) De-recognition of financial assets and financial liabilities

Financial assets

The Group de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such de-recognized financial assets that is created or retained by the Group is recognized as a separate asset or liability.

Financial liabilities

The Group de-recognizes a financial liability (or a part of financial liability) from its consolidated statement of financial position when the obligation specified in the contract is discharged or cancelled or expired. Any gain or loss on de-recognition is included in profit or loss.

iv) Offsetting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in the consolidated financial statements when there is a legal enforceable right to set off and the Group intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

2.7 Taxation

Current

The current tax charge as calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is charged or credited in the consolidated statement of profit or loss, except in the case of items credited or charged to other comprehensive income or directly in equity, in which case it is included in other comprehensive income or directly in equity, respectively.

2.8 Property, plant and equipment

Property, plant and equipment except freehold land, building, plant and machinery are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at revalued amount less any identified impairment loss. Building, plant and machinery are stated at revalued amount less accumulated depreciation and any identified impairment loss. Cost of the property, plant and equipment consists of historical cost pertaining to erection / construction period of qualifying assets and other directly attributable costs of bringing the asset to working condition.

Increases in the carrying amount arising on revaluation of property, plant and equipment are credited to surplus on revaluation of property, plant and equipment. Decreases that offset previous increases of the same assets are charged against this surplus, all other decreases are charged to income. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the consolidated statement of profit or loss, and depreciation based on the asset's original cost is transferred from 'surplus on revaluation of property, plant and equipment' to 'accumulated loss'. All transfers to / from surplus on revaluation of property, plant and equipment are net of applicable deferred income tax. Valuations are performed frequently enough to ensure that the fair value of the revalued assets does not differ materially from its carrying amount.

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

Capital work-in-progress is stated at cost less any identified impairment loss. Cost includes expenditure and advances directly attributable to the acquisition of the asset and those incurred during installation and construction period. These are transferred to relevant property, plant and equipment as and when assets are available for use.

Depreciation

Depreciation on property, plant and equipment is charged to consolidated statement of profit or loss on the reducing balance method so as to write off the cost of an asset over its estimated useful life at the annual rates given in Note 15.1 after taking into account the impact of their residual values, if considered significant. The residual values and useful lives are reviewed by the management, at each financial year-end and adjusted if impact on depreciation is significant.

Depreciation on additions to property, plant and equipment is charged from the month in which the asset is acquired or capitalized, while no depreciation is charged for the month in which the asset is disposed of.

De-recognition

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal or retirement of an asset is recognized as an income or expense.

2.9 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairments, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in the consolidated statement of profit or loss.

2.10 Biological assets

Biological assets comprise of standing crops and livestock. These are stated at fair value less estimated point-of-sale costs, with any resultant gain or loss recognized in the consolidated statement of profit or loss. The fair value of standing crops is based on the support price fixed by the Government and other factors such as estimated crop yield and area under cultivation. The fair value of livestock is estimated on the basis of market prices of livestock of similar age, breed and genetic merit. Point-of-sale costs include all costs that are necessary to sell the assets, excluding costs necessary to get the assets to the market.

2.11 Inventories

Inventories, except for stock in transit and waste stock, are stated at lower of cost or net realizable value. Cost is determined as follows:

Stores, spare parts and loose tools

Usable stores, spare parts and loose tools are valued principally at moving average cost, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon up-to the reporting date. Provision is made in the consolidated financial statements for obsolete and slow moving stores and spares based on management's estimate as a result of changes in usage pattern and physical form.

Stock-in-trade

Stock of raw materials is valued at the weighted average cost. Cost of work-in-process and finished goods comprises cost of direct materials, labour and appropriate manufacturing overheads. Cost of own produced molasses, a by-product, is determined on the basis of monthly average cost of molasses purchased from third parties in the relevant months when molasses is produced. Cost of stillage, a by-product of the Biofuel Plant, used in the generation of electricity by the Power division is valued at Nil as it does not have any market value.

Materials in transit are stated at cost comprising invoice values plus other charges paid thereon up to the reporting date. Waste stock is valued at net realizable value.

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

2.12 Trade debts and other receivables

Trade debts are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any allowance for expected credit losses.

Other receivables are recognized at amortized cost, less any allowance for expected credit losses.

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

2.14 Ijarah contracts

Under the Ijarah contracts, the Group obtains usufruct of an asset for an agreed period and consideration. The Group accounts for its Ijarah contracts in accordance with the requirements of IFAS 2 'Ijarah'. Accordingly, the Group as a Mustaj'ir (lessee) in the Ijarah contract recognizes the Ujrah (lease) payments as an expense in the consolidated statement of profit or loss on straight line basis over the Ijarah term.

2.15 Share capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

2.16 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred and are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

2.17 Government grants

Government grants are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all conditions of the grant. The benefit of a Government loan at a below-market rate of interest is treated as a Government grant.

Government grants relating to costs are deferred and recognized in the profit or loss over the period necessary to match them with the costs that these are intended to compensate.

2.18 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value and are subsequently measured at amortized cost using the effective interest method.

2.19 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

2.20 Functional and presentation currency along with foreign currency transactions and translation

These consolidated financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rates at the reporting date. Transactions in foreign currencies are translated into Pak Rupees at exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are charged or credited to consolidated statement of profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into Pak Rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities denominated in foreign currency that are stated at fair value are translated into Pak Rupees at exchange rates prevailing at the date when fair values are determined.

2.21 Borrowing costs

Interest, mark-up and other charges on long term financing are capitalized up to the date of commissioning of respective qualifying assets acquired out of the proceeds of such long term financing. All other interests, mark-up and other charges are recognized in the consolidated statement of profit or loss.

2.22 Contingent liabilities

Contingent liability is disclosed when the Group has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the consolidated financial statements.

2.23 Contingent assets

Contingent assets are disclosed when the Group has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognized until their realization becomes certain.

2.24 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the Board of Directors of the Group that makes strategic decisions.

Segment results that are reported to the Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those income, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated. The Group has six reportable business segments: Sugar, Biofuel, Dairy, Juice, Textile and Farms. Inter segment sales and purchases are eliminated from the total.

2.25 Earnings / (Loss) Per Share (EPS / LPS)

The Group presents EPS / LPS data for its ordinary shares. Basic EPS / LPS is calculated by dividing the profit or loss for the year by weighted average number of ordinary shares outstanding during the year.

2.26 Employees' benefits

Defined benefit plans

The main feature of the schemes operated by the Group for its employees are as follows:

The Holding Company operates a funded gratuity scheme as a defined benefit plan for its permanent employees and also funded defined benefit pension plan. All permanent employees who are in the management cadre of the Holding Company participate in these plans subject to a minimum qualifying period of service according to the terms of employment. Monthly contributions are made to these funds on the basis of actuarial recommendation at the rate of 20% per annum of basic salary for pension and 8.33% per annum of basic salary for gratuity. Actuarial valuation using projected unit credit method for the schemes was carried out as at 30 September 2023. The main features of defined benefit schemes are mentioned in Note 7.2.1 and Note 7.2.2.

The Holding Company's net obligation in respect of these defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Holding Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liabilities, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income. The Holding Company determines the net interest expense / (income) on the net defined benefit liability / (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability / (asset), taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plan are recognized in profit or loss.

When the benefits of plans are changed or when plans are curtailed, the resulting change in benefits that relate to past service or the gain or loss on curtailment are recognized immediately in profit or loss. The Holding Company recognizes gains and losses on the settlement of defined benefit plans when the settlement occurs.

The Subsidiary Company operates an unfunded gratuity scheme covering all permanent employees. Qualifying period for permanent employees is one year of continuous service. Provision is made in the consolidated financial statements on the basis of actuarial recommendations. The latest actuarial valuation was carried out as at 30 September 2023. The conditions and policies are the same as of the Holding Company.

Defined contribution plan

There is an approved contributory provident fund for all employees of the Holding Company. Equal monthly contributions are made both by the employees and the Holding Company at the rate of 8.33 percent of basic salary to the Fund. The Holding Company's contributions to the Fund are charged to consolidated statement of profit or loss.

Accumulating compensated absences

The Subsidiary Company provides leave encashment benefit to its employees. Employees are entitled to receive 14 days leaves per annum. The un-utilized leaves are accumulated subject to a maximum of 28 days. The unutilized accumulated leaves are encashed at the time of leaving the service.

Provisions are made at each reporting date by Subsidiary Company to cover the obligation for accumulating compensated absences and are charged to consolidated statement of profit or loss. Provision is made in the consolidated financial statements on the basis of actuarial recommendations. All actuarial gains or losses, current service cost, past service cost and interest cost are recognzied in consolidated statement of profit or loss. The latest actuarial valuation was carried out as at 30 September 2023.

2.27 Dividend and other appropriations

Dividend distribution to the shareholders is recognized as a liability in the consolidated financial statements in the periods in which the dividends are declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

2.28 Non-current assets held for sale

Non-current assets are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. These are stated at the lower of carrying amount or fair value less costs to sell.

3. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2023	2022		2023	2022
Numberof shares			Rupees in thousand	
79 021 000	79 021 000	Ordinary shares of Rs. 10 eachfully paid in cash	790,210	790,210
33 131 816	33 131 816	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	331,318	331,318
750 000	750 000	Ordinary shares of Rs. 10 each issued to Pakistan Industrial Credit and Investment Corporation Limited against its right of option to convert 20 percent of its loan into fully paid up shares	7,500	7,500
9 557 000	9 557 000	Ordinary shares of Rs. 10 each issued as fully paid for consideration other than cash under the scheme of merger	95,570	95,570
2 540 184	2 540 184	Ordinary shares of Rs. 10 each issued as fully paid against conversion of preference shares	25,402	25,402
125 000 000	125 000 000		1,250,000	1,250,000

	NOTE	2023	2022
		Numberof shares	
3.1 Ordinary shares of the Holding Company held by related parties:			
Crescent Steel and Allied Products Limited		27 409 075	27 409 075
The Crescent Textile Mills Limited	3.1.1	-	9 019 690
CS Capital (Private) Limited		7 602 272	7 602 272
Premier Insurance Limited	3.1.1	-	5 000
Shakarganj Mills Limited Employees' Provident Fund Trust		1 375 427	1 375 427
Shakarganj Mills Limited Gratuity Fund		107 876	107 876
Shakarganj Mills Limited Pension Fund		916 582	916 582
		37 411 526	46 435 922

3.1.1. The Crescent Textile Mills Limited and Premier Insurance Limited ceased to be the related parties due to elimination of common directorship after the election of director on 31 May 2023.

		NOTE	2023	2022
			Rupees in thousand	
4.	CAPITAL RESERVES			
	Surplus on revaluation of property, plant and equipment - net of deferred income tax	4.1	10,560,835	10,849,580
	Other capital reserves			
	Premium on issue of right shares	4.2	1,056,373	1,056,373
	Musharakah financing - equity portion		41,441	41,441
	Fair value reserve of investments at fair value through other comprehensive income	4.3	(13,162)	(12,835)
	Difference of capital under scheme of arrangement of merger		155,930	155,930
			1,240,582	1,240,909
			11,801,417	12,090,489
4.1	SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF DEFERRED INCOME TAX			
	As at 01 October		10,849,580	11,955,684
	Add: Net surplus arising on revaluation during the year (Group's portion) - net of deferred income tax		-	133,697
			10,849,580	12,089,381
	Less:			
	Impact of change in deferred tax rate		355,301	(486,373)
	Transferred to accumulated loss in respect of incremental depreciation charged during the year - net of deferred income		(613,970)	(629,461)
	Surplus on revaluation of property, plant and equipment disposed of during the year - net of deferred income tax		(30,076)	(123,967)
			(288,745)	(1,239,801)
			10,560,835	10,849,580
	Add: Net surplus arising on revaluation during the year (Non-		(68,545)	121,500
	As at 30 September		10,492,290	10,971,080

4.1.1 The latest valuation of land, building, plant and machinery, along with plant and machinery classified as right-of-use assets was carried out by independent valuers Messers Hamid Mukhtar and Company (Private) Limited and Messers Surval on 30 September 2021 and on 30 September 2022 respectively. The valuations were determined by reference to market value of the similar properties / assets. Previously revaluations were carried out on 30 September 2012, 30 September 2014, 09 April 2018 and 27 September 2018 and 30 September 2019 by independent valuers.

4.2 This reserve can be utilized by the Holding Company only for the purposes specified in section 81 of the Companies Act, 2017.

4.3 This represents the unrealized loss on remeasurement of investments at Fair Value Through Other Comprehensive Income (FVTOCI). Reconciliation of fair value reserve is as under:

	Note	2023	2022
		Rupees in thousand	
Balance as on 01 October		(12,835)	(11,021)
Fair value adjustment during the year		(2,198)	(3,323)
		(15,033)	(14,344)
Deferred income tax relating to investments at fair value through other comprehensive income		1,871	1,509
Balance as on 30 September		(13,162)	(12,835)

5. LONG TERM FINANCING

	Note	2023	2022
From banking companies - secured			
Long term loans	5.1	225,000	41,413
Diminishing musharakah	5.2	382,500	497,500
		607,500	538,913
Less: Current portion shown under current liabilities	13	390,956	211,413
		216,544	327,500

5.1 Long term loans

LENDER	2023 (Rupees in thousand)	2022 (Rupees in thousand)	RATE OF INTEREST / PROFIT PER ANNUM	EFFECTIVE RATE OF INTEREST	NUMBER OF INSTALLMENTS	INTEREST REPRICING	INTEREST PAYABLE	SECURITY
Shakarganj Limited Holding Company								
MCB Bank Limited - Loan under SBP Refinance Scheme	-	41,413	SBP rate + 3%	3%	This facility was completely repaid on 27 December 2022.	-	Quarterly	First joint pari passu charge over present and future fixed assets of Rs. 1,000 million, first pari passu charge of Rs. 551 million over stocks, ranking charge of Rs. 200 million on fixed assets, first pari passu charge on plant and machinery of Rs. 250 million, ranking charge of Rs. 200 million on current assets of the Company and personal guarantee of Chief Executive Officer and one Director of the Company.
Bank Islami Pakistan Limited	225,000	-	3 MK + 1%	18.92% - 23.92%	Twenty quarterly installments commenced on 07 February 2023 and ending on 05 January 2028. First three quarterly installments are related to profit only and remaining seventeen quarterly installments are related to principal and profit payments.	-	Quarterly	Ranking charge over fixed assets of Rs. 567 million, Ranking charge over current assets of Rs. 567 million , pledge of stock of Rs. 112 million and personal guarantee of one sponsor and one Director of the Company. It is also secured through pledge of shares.
	225,000	41,413						
5.2 Diminishing musharakah								
Shakarganj Food Products Limited Subsidiary Company								
Sindh Modaraba Management Limited (SMML)	56,250	62,500	6 MK + 3.5%	19.57%-24.62%	Sixteen equal quarterly installments commenced on 11 June 2021 and ending on 11 March 2026 including deferment of one year.	Semi annually	Quarterly	Post dated cheques and a title of the assets in the name of SMML for entire facility period.
Diminishing Musharaka Sukuk (Note 5.2.1)	326,250	435,000	3 MK + 2.50%	18.61%-25.00%	Twenty equal quarterly installments commenced on 10 October 2019 and ending on 10 July 2025 including deferment of one year.	Quarterly	Quarterly	First pari passu charge over fixed assets of the Company amounting to Rs. 967 million.
	382,500	497,500						

5.2.1 This represents rated and privately placed Diminishing Musharakah Sukuk Certificates of Rs. 725 million issued in 2018.

		NOTE	2023 Rupees in thousand	2022 Rupees in thousand
6.	LEASE LIABILITIES			
	Total lease liabilities	6.1	397,004	615,818
	Less: Current portion shown under current liabilities	13	254,456	287,811
			142,548	328,007
6.1	Reconciliation of lease liabilities			
	Balance as at 01 October		615,818	781,727
	Add:			
	Additions during the year		11,274	27,183
	Interest accrued on lease liabilities	36	43,828	59,895
			670,920	868,805
	Less: Payments during the year		273,916	252,987
	Balance as at 30 September		397,004	615,818
	Less: Current portion shown under current liabilities		254,456	287,811
	Non-current portion		142,548	328,007

6.1.1 The value of minimum lease payments were discounted using implicit interest rate ranged from 8.50 percent to 20.29 percent (2022: 8.50 percent to 17.40 percent) per annum. These arrangements relate to Tetra Pak processing and filling machines and corresponding liability of head office building classified as right-of-use asset. Repayment period ranges from 36 to 71 months.

6.2 Minimum lease payments and their present values are regrouped as under:

	2023 Not later than one year	2023 Later than one year but not later than five years	2022 Not later than one year	2022 Later than one year but not later than five years
	Rupees in thousand			
Lease rentals	254,456	183,752	342,558	359,066
Less: Finance cost for future years	24,399	9,288	54,747	31,059
Present value of lease liabilities	230,057	174,464	287,811	328,007

		NOTE	2023 Rupees in thousand	2022 Rupees in thousand
7.	DEFERRED LIABILITIES			
	Deferred income	7.1.1	18,687	19,671
	Employees' benefits	7.2	1,119,713	813,539
			1,138,400	833,210

7.1 This represents the grants received by Subsidiary Company in 2014 from United States Agency for International Development (USAID) amounting to Rs. 8.53 million and from Market Development Facility (MDF), Australia amounting to Rs. 21.66 million from 2014-2017. These grants were provided in order to support the Subsidiary Company for the purchase and installation of Farm Cooling Tanks (FCTs) at different locations of milk collections, purchase of motor bikes and training of farmers for dairy farming development.

		NOTE	2023	2022
			Rupees in thousand	
7.1.1	DEFERRED INCOME			
	Others			
	Grants received - gross		30,186	30,186
	Less: Amortization			
	Opening balance		10,515	9,479
	Charged during the year	35	984	1,036
	Closing balance		11,499	10,515
			18,687	19,671
7.2	EMPLOYEES' BENEFITS			
	Shakarganj Limited - Holding Company			
	Pension fund	7.2.1	854,630	571,315
	Gratuity fund	7.2.2	127,266	105,193
			981,896	676,508
	Less: Transferred to trade and other payables in:			
	Payable to Pension Fund		174,546	174,546
	Payable to Gratuity Fund		80,002	80,002
			254,548	254,548
			727,348	421,960
	Shakarganj Food Products Limited - Subsidiary Company			
	Staff retirement gratuity	7.2.3.1	366,442	362,939
	Accumulating compensated absences	7.2.4.1	25,923	28,640
			392,365	391,579
7.2.1	Pension fund			
	The amount recognized in the consolidated statement of financial position is determined as follows:			
	Present value of defined benefit obligation	7.2.1.1	708,245	597,841
	Fair value of plan assets	7.2.1.2	146,385	(26,526)
	Net defined benefit obligation		854,630	571,315

		NOTE	2023	2022
			Rupees in thousand	
7.2.1.1	The movement in the defined benefit obligation over the year is as follows:			
	Present value of defined benefit obligation as at 01 October		597,841	500,076
	Current service cost		27,205	23,116
	Interest cost		77,562	53,654
	Remeasurement losses / (gains)		30,572	45,612
	Benefits paid during the year		(24,935)	(24,617)
	Present value of defined benefit obligation as at 30 September		708,245	597,841

			2023	2022
			Rupees in thousand	
7.2.1.2	The movement in the fair value of plan assets for the year is as follows:			
	Fair value as at 01 October		26,526	295,135
	Return on plan assets		3,028	22,450
	Contributions during the year		17,716	17,073
	Fund transferred back to the Company	7.2.1.2.1	-	(174,546)
	Benefits paid during the year		(24,935)	(24,617)
	Return on plan assets excluding interest income		(168,720)	(108,969)
	Fair value as at 30 September		(146,385)	26,526

7.2.1.2.1 This represents the amount transferred to the Company by the Fund for the business operations of the Company and shown in 'Payable to Pension Fund' under 'Trade and Other Payables'.

		NOTE	2023	2022
			Rupees in thousand	
7.2.1.3	The amounts recognized in the consolidated statement of profit or loss are as follows:			
	Current service cost		27,205	23,116
	Interest cost		77,562	53,654
	Expected return on plan assets		(3,028)	(22,450)
	Net charge for the year		101,739	54,320
7.2.1.4	The amounts recognized in the consolidated statement of profit or loss are classified as follows:			
	Cost of sales	31.1	68,329	35,111
	Distribution cost	32.2	628	346
	Administrative expenses	33.1	31,904	18,449
	Other expenses	34.1	878	414
			101,739	54,320

		2023	2022
		Rupees in thousand	
7.2.1.5	Remeasurements of net defined benefit liability		
	Actuarial losses / (gains) due to experience adjustments	30,572	45,612
	Return on plan assets excluding interest income	168,720	108,969
	Amount chargeable to other comprehensive income	199,292	154,581
7.2.1.6	Reconciliation of net defined benefit liability		
	As at 01 October	396,769	204,941
	Expense chargeable to profit or loss during the year	101,739	54,320
	Amount chargeable to other comprehensive income during the year	199,292	154,581
	Contributions paid by the Company during the year	(17,716)	(17,073)
	As at 30 September	680,084	396,769

7.2.1.7 The estimated expenses to be charged to the consolidated statement of profit or loss for the year ending on 30 September 2024 are Rs. 174.91 million.

		2023	2022
		Rupees in thousand	
7.2.1.8	Actual return on plan assets		
	Interest income for the year	3,028	22,450
	Return on plan assets excluding interest income	(168,720)	(108,969)
		(165,692)	(86,519)

7.2.1.9 The principal actuarial assumptions used were as follows:

	2023	2022
Discount rate (per annum)	16.75%	14.00%
Future salary increases (per annum)	15.75%	13.00%
Expected rate of future pension increases (per annum)	11.75%	9.00%
Average expected remaining working life time of employees	8 years	9 years
Expected average duration of obligation	16 years	17 years
Expected mortality rate	SLIC (2001-05) mortality table	

		2023	2022
		Rupees in thousand	
7.2.1.10	Plan assets are comprised as follows:		
	Equity instruments	142,802	187,876
	Cash and cash equivalents	1,734	89
	Others - net	(290,921)	(161,439)
		(146,385)	26,526

7.2.1.11 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2023	2022
Discount rate	1.00%	1.00%
Increase in assumption - Rupees in thousand	(104,231)	(51,204)
Decrease in assumption - Rupees in thousand	122,186	56,015
Future salary increase	1.00%	1.00%
Increase in assumption - Rupees in thousand	122,218	56,001
Decrease in assumption - Rupees in thousand	(104,239)	(51,211)

7.2.2 Gratuity fund

The amount recognized in the consolidated statement of financial position is determined as follows:

	NOTE	2023 Rupees in thousand	2022
Present value of defined benefit obligations	7.2.2.1	137,540	105,162
Fair value of plan obligations / (assets)	7.2.2.2	(10,274)	31
Net defined benefit obligation		127,266	105,193
7.2.2.1 The movement in the defined benefit obligation over the year is as follows:			
Present value of defined benefit obligation as at 01 October		105,162	104,506
Current service cost		9,522	6,635
Interest cost		13,875	10,675
Benefits paid during the year		(893)	(5,687)
Remeasurement gains		9,874	(10,967)
Present value of defined benefit obligation as at 30 September		137,540	105,162
7.2.2.2 The movement in the fair value of plan (obligations) / assets for the year is as follows:			
Fair value as at 01 October		(31)	90,335
Contributions during the year		8,501	8,219
Fund transferred back to the Company	7.2.2.2.1	-	(80,002)
Return on plan assets		492	5,418
Benefits paid during the year		(893)	(5,687)
Return on plan (obligations) / assets excluding interest income		2,205	(18,314)
Fair value as at 30 September		10,274	(31)

7.2.2.2.1 This represents the amount transferred to the Company by the Fund for the business operations of the Company and shown in 'Payable to Gratuity Fund' under 'Trade and Other Payables'.

	2023 Rupees in thousand	2022
7.2.2.3 The amounts recognized in the consolidated statement of profit or loss are as follows:		
Current service cost	9,522	6,635
Interest cost	13,875	10,675
Expected return on plan assets	(492)	(5,418)
Net charge for the year	22,905	11,892

		NOTE	2023 Rupees in thousand	2022 Rupees in thousand
7.2.2.4	The amounts recognized were included in the consolidated statement of profit or loss as follows:			
	Cost of sales	31.1	15,383	7,687
	Distribution cost	32.2	142	75
	Administrative expenses	33.1	7,183	4,039
	Other expenses	34.1	197	91
			22,905	11,892
7.2.2.5	Remeasurements of net defined benefit liability			
	Actuarial gains due to experience adjustments		9,874	(10,967)
	Return on plan (obligations) / assets excluding interest income		(2,205)	18,314
	Amount chargeable to other comprehensive income		7,669	7,347

7.2.2.6 The estimated expenses to be charged to the consolidated statement of profit or loss for the year ending on 30 September 2024 are Rs. 32.43 million.

		2023 Rupees in thousand	2022 Rupees in thousand
7.2.2.7	Reconciliation of net defined benefit liability		
	As at 01 October	27,723	14,171
	Expense chargeable to profit or loss during the year	22,905	11,892
	Amount chargeable to other comprehensive income during the year	7,669	7,347
	Contributions paid by the Company during the year	(8,501)	(5,687)
	As at 30 September	49,796	27,723
7.2.2.8	Actual return on plan (obligations) / assets		
	Interest income for the year	492	5,418
	Return on plan assets excluding interest income	2,205	(18,314)
		2,697	(12,896)

		2023	2022
7.2.2.9	The principal actuarial assumptions used were as follows:		
	Discount rate (per annum)	16.75%	13.25%
	Future salary increases (per annum)	15.75%	12.25%
	Average expected remaining working life time of employees	10 years	8 years
	Expected average duration of benefit obligation	9 years	7 years
	Expected mortality rate	SLIC (2001-05) mortality table	

		2023	2022
		Rupees in thousand	
7.2.2.10	Plan (obligations) / assets are comprised as follows:		
	Equity instruments	15,503	18,076
	Cash and cash equivalents	70	51
	Others - net	(5,299)	(18,158)
		10,274	(31)

7.2.2.11 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2023	2022
Discount rate	1.00%	1.00%
Increase in assumption - Rupees in thousand	(11,780)	(8,492)
Decrease in assumption - Rupees in thousand	12,887	9,240
Future salary increase	1.00%	1.00%
Increase in assumption - Rupees in thousand	12,884	9,238
Decrease in assumption - Rupees in thousand	(11,781)	(8,493)

7.2.2.12 Risks associated with pension fund and gratuity fund

The pension fund and gratuity fund expose the Company to the following risks:

Interest rate risk

The present value of the defined benefit liability is calculated using a discount rate determined by reference to market yields at the end of the reporting period on high quality corporate bonds, or where there is no deep market in such bonds, by reference to market yields on government bonds. Currencies and terms of bonds yields used must be consistent with the currency and estimated term of the post-employment benefit obligations being discounted. A decrease in bond interest rate will increase the liability, and vice versa.

Salary risk

The present value of the defined benefit liability is calculated by reference to the future salaries of the plan participants. As such an increase in the salary of the plan participants will increase the liability and vice versa.

Pension rate risk

The present value of the defined benefit liability is calculated after taking into account the future pension growth of plan participants. As such, an increase in the pension growth rate of the plan participants will increase the liability and vice versa.

Withdrawal rate risk

The present value of the defined benefit liability is calculated by reference to the best estimate of the withdrawal rate / attrition rate of plan participants. As such, an increase in the withdrawal rate may increase / decrease the liability and vice versa depending on the age-service distribution of the existing employees.

Mortality rate risk

The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants during employment. An improvement in the mortality rate of the participants may increase / decrease the liability and vice versa depending on the age-service distribution of the existing employees.

7.2.3 Staff retirement gratuity

7.2.3.1 The amount recognized in the consolidated statement of financial position is as follows:

		NOTE	2023	2022
			Rupees in thousand	
	Present value of defined benefit obligation as at 01 October		362,939	307,149
	Current service cost		47,662	43,383
	Interest cost		42,832	30,171
	Benefit paid during the year		(50,471)	(30,601)
	Remeasurements losses		(36,520)	12,837
	Present value of defined benefit obligation as at 30 September		366,442	362,939
7.2.3.2	The amounts recognized in the consolidated statement of profit or loss are as follows:			
	Current service cost		47,662	43,383
	Interest cost		42,832	30,171
	Charge for the year		90,494	73,554
7.2.3.3	The amounts recognized in the consolidated statement of profit or loss are classified as follows:			
	Cost of sales	31.1	37,863	32,058
	Distribution cost	32.2	43,441	35,556
	Administrative expenses	33.1	9,190	5,940
			90,494	73,554
7.2.3.4	Remeasurements of net defined benefit liability			
	Actuarial losses from changes in assumptions		2,582	7,595
	Experience adjustments		(39,102)	5,242
	Amount chargeable to other comprehensive income		(36,520)	12,837
7.2.3.5	Reconciliation of net defined benefit liability			
	As at 01 October		362,939	307,149
	Expense chargeable to profit or loss during the year		90,494	73,554
	Amount chargeable to other comprehensive income during the year		(36,520)	12,837
	Benefit paid by the Company during the year		(50,471)	(30,601)
	As at 30 September		366,442	362,939

		2023	2022
7.2.3.6	The principal actuarial assumptions used were as follows:		
	Future salary increases (per annum)	15.75%	12.25%
	Discount rate (per annum)	16.75%	13.25%
	Expected mortality rate	SLIC (2001-05) mortality table	

7.2.3.7 The estimated expenses to be charged to the consolidated statement of profit or loss for the year ending on 30 September 2024 are Rs. 91.3 million.

7.2.3.8 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2023	2022
Discount rate	1.00%	1.00%
Increase in assumption - Rupees in thousand	(42,084)	(33,349)
Decrease in assumption - Rupees in thousand	5,623	19,178
Future salary increase	1.00%	1.00%
Increase in assumption - Rupees in thousand	6,171	19,809
Decrease in assumption - Rupees in thousand	(42,945)	(34,329)

7.2.4 Accumulating compensated absences

7.2.4.1 The amount recognized in the consolidated statement of financial position is as follows:

		NOTE	2023	2022
			Rupees in thousand	
	Present value of defined benefit obligation as at 01 October		28,640	28,990
	Current service cost		2,152	1,685
	Interest cost		3,358	2,889
	Benefit paid during the year		(4,140)	(2,930)
	Remeasurement (gains) / losses		(4,087)	(1,994)
	Present value of defined benefit obligation as at 30 September		25,923	28,640
7.2.4.2	The amounts recognized in the consolidated statement of profit or loss are as follows:			
	Current service cost		2,152	1,685
	Interest cost		3,358	2,889
	Re-measurement (gains) / losses		(4,087)	(1,994)
	Charge for the year		1,423	2,580
7.2.4.3	The amounts recognized were included in the consolidated statement of profit or loss as follows:			
	Cost of sales	31.1	157	274
	Distribution cost	32.2	977	1,782
	Administrative expenses	33.1	289	524
			1,423	2,580

		2023	2022
		Rupees in thousand	
7.2.4.4	Reconciliation of net defined benefit liability		
	As at 01 October	28,640	28,990
	Expense / remeasurement chargeable to profit or loss during the year	1,423	2,580
	Benefit paid by the Company during the year	(4,140)	(2,930)
	As at 30 September	25,923	28,640
7.2.4.5	The principal actuarial assumptions used were as follows:		
	Future salary increases (per annum)	15.75%	12.25%
	Discount rate (per annum)	16.75%	13.25%
	Expected mortality rate	SLIC (2001-05) mortality table	

7.2.4.6 The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	2023	2022
Discount rate	1.00%	1.00%
Increase in assumption - Rupees in thousand	(1,708)	(2,211)
Decrease in assumption - Rupees in thousand	1,974	2,576
Future salary increase	1.00%	1.00%
Increase in assumption - Rupees in thousand	1,929	2,514
Decrease in assumption - Rupees in thousand	(1,695)	(2,191)

7.2.4.7 Risks associated with staff retirement gratuity and accumulating compensated absences

The staff retirement gratuity and accumulating compensated absences expose the Company to the following risks:-

Salary increase / inflation risk

The liabilities of the defined benefit plans are sensitive to the salary increases.

- Discount rate risk

The risk of changes in discount rate may have an impact on the plan's liability.

- Mortality risk

Actual mortality experience may be different than that assumed in the calculation.

- Withdrawal risk

Actual withdrawals experience may be different from that assumed in the calculation.

7.2.5 The sensitivity analysis for pension fund, gratuity fund, staff retirement gratuity and accumulating compensated absences are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions the same method (present value of the defined benefit obligations calculated with the projected unit credit method at the end of the reporting period) has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to previous year except for certain changes as given in Note 7.2.1.11, Note 7.2.2.11, Note 7.2.3.8 and Note 7.2.4.6.

		2023	2022
		Rupees in thousand	
8.	DEFERRED INCOME TAX LIABILITY		
	Taxable temporary differences		
	Accelerated tax depreciation	1,388,291	1,220,405
	Surplus on revaluation of property, plant and equipment	2,782,991	3,316,078
		4,171,282	4,536,483
	Deductible temporary differences		
	Unused tax losses, minimum tax and alternate corporate tax	(1,188,857)	(1,495,676)
	Provision for doubtful receivables	(28,228)	(31,036)
	Provision for obsolete stores, spare parts and loose tools	(676)	(794)
	Fair value reserve of investment	(1,871)	(1,509)
	Deferred liabilities	(236,435)	(166,536)
		(1,456,067)	(1,695,551)
	Net deferred income tax liability	2,715,215	2,840,932
8.1	Movement in the deferred income tax liability balance is as follows:		
	As at 01 October	2,840,932	2,660,662
	(Less) / add:		
	Accelerated tax depreciation	167,886	(110,250)
	Surplus on revaluation of property, plant and equipment	(533,087)	281,950
	Unused tax losses, minimum tax and alternate corporate tax	306,819	94,543
	Provision for doubtful receivables	2,808	(5,499)
	Provision for obsolete stores, spare parts and loose tools	118	(122)
	Fair value reserve of investment	(362)	(1,509)
	Deferred liabilities	(69,899)	(78,843)
		(125,717)	180,270
	As at 30 September	2,715,215	2,840,932

		NOTE	2023	2022
			Rupees in thousand	
8.1.1	Charged to the consolidated statement of profit or loss:			
	Net movement of temporary differences	8.1	(125,717)	180,270
	- on surplus on revaluation of property, plant and equipment		286,756	(576,495)
	- on unrealized loss on investment at FVTOCI		1,871	1,509
	- on remeasurement of employees' benefits		35,597	49,331
			324,224	(525,655)
			198,507	(345,385)

8.1.2 Deferred income tax asset on unused tax losses of the Holding Company available for carry forward are recognized to the extent that the realization of related tax benefits through future taxable profits is probable. The Holding Company has not recognized deferred income tax asset on Rs. 8,114.36 million (2022: Rs. 7,871.79 million) in respect of tax losses including unabsorbed depreciation, as sufficient tax profits may not be available to set off these in the foreseeable future. Total minimum tax available to carry forward under section 113 of the Income Tax Ordinance, 2001 as at 30 September 2022 is of Rs. 1,148.63 million (2022: Rs. 1,067.05 million), while deferred tax is created on Rs. 472.68 million (2022: Rs.758.06 million).

8.1.3 The unused tax losses excluding unabsorbed depreciation would expire as follows:

Accounting year to which the unused tax losses relates	Amount of unused tax losses	Accounting year in which unused tax losses will expire
	Rupees in thousand	
2018	969,240	2024
2019	721,455	2025
2020	545,893	2026
2021	1,444,028	2027
2022	479,527	2028
	4,160,143	

8.1.4 The minimum tax would expire as follows:

Accounting year to which the minimum tax relates	Amount of minimum tax	Accounting year in which minimum tax will expire
	Rupees in thousand	
2021	98,081	2024
2022	472,589	2025
2023	578,163	2026
	1,148,833	

	NOTE	2023	2022
		Rupees in thousand	
9. TRADE AND OTHER PAYABLES			
Creditors		4,776,158	3,996,924
Advances for sale of property, plant and equipment		55,778	54,728
Contract liabilities - unsecured		1,598,206	1,378,167
Payable to related parties		-	40,618
Accrued liabilities		650,551	481,239
Payable to Government authorities:			
- Taxes and duties		581,424	1,158,466
- Income tax deducted at source		338,572	329,360
- Others		10,056	10,021
Workers' profit participation fund	9.1	271,854	213,362
Workers' welfare fund		20,939	-
Payable to Pension Fund and Gratuity Fund		536,457	373,918
Other payables		483,224	354,400
		9,323,219	8,391,203

		NOTE	2023 Rupees in thousand	2022 Rupees in thousand
9.1	Workers' profit participation fund			
	Balance as on 01 October		213,362	199,897
	Interest for the year	36	23,793	14,681
	Provision for the year	34	39,699	3,784
			276,854	218,362
	Less: Payments during the year		5,000	5,000
	Balance as on 30 September		271,854	213,362

9.1.1 The Group retains workers' profit participation fund for its business operations till the date of allocation to workers. Interest is accrued at prescribed rate under the Companies Profit (Workers' Participation) Act, 1968 on funds utilized till the date of allocation to workers.

		NOTE	2023 Rupees in thousand	2022 Rupees in thousand
10.	Musharakah financing			
	Balance as at 01 October		130,396	199,097
	Add: Unwinding of discount	36	19,056	29,096
	Less: Conversion to running musharakah / short term borrowings	10.1	-	97,797
	Balance as at 30 September		149,452	130,396

10.1 During the last year, based on a revised facility letter, signed by the Company and the Bank, musharakah facility amounting to Rs. 120 million has been converted into a short term borrowing / running musharakah carrying a mark-up of 3 month KIBOR plus 1%.

10.2 This represents musharakah financing facility amounting to Rs. 280 million obtained from BankIslami Pakistan Limited, a related party on 01 April 2019 for a period of five years. To secure the musharakah facility, the Subsidiary Company has provided an Equity Warrant Option to Bank under which Bank may opt for conversion of its musharakah finance claim, either wholly or partially, into ordinary shares of the Subsidiary Company at a fixed price of Rs. 15 per share, subject to necessary approval from its regulator. The facility has been treated as a compound financial instrument with the debt instrument being measured first using an effective rate of 14.12% per annum while the remainder has been classified as equity portion as given above. In subsequent years, mark-up expense shall be recognized through consolidated statement of profit or loss by using the same rate of interest, and equivalent amount shall be reinstated to the loan through unwinding of discount.

11.	SHORT TERM BORROWINGS	NOTE	2023 Rupees in thousand	2022 Rupees in thousand
	Shakarganj Limited - Holding Company			
	From banking companies - secured			
	- Export refinance / Istisna	11.1	672,500	935,000
	Shakarganj Food Products Limited - Subsidiary Company			
	From banking companies - secured			
	- Running finances / Istisna / running musharakah	11.2	352,200	449,899
			1,024,700	1,384,899

11.1 Export refinance / Istisna

The Company has arranged facilities for short term finances to meet working capital requirements from various banks under mark-up arrangements. These finances were available at mark-up ranging from 16.92% to 25.91% (2022: 8.53% to 18.16%) per annum on the outstanding balance or part thereof. These include Istisna of Rs. 200 million (2022: Rs. 425 million) payable to Bank Islami Pakistan Limited, a related party. Expiry date of this istisna up to 30 September 2023 availed from Bank Islami Pakistan Limited and expiry date of export refinance is 31 March 2024 availed from National Bank of Pakistan. Subsequently the istisna facility availed from Bank Islami Limited (Related Party) is renewed with Rs. 192.5 million up to 31 March 2024.

Total credit facilities from the banking Companies as at 30 September 2023 are of Rs. 672.5 million (2022: Rs. 1459.30 million). The aggregate credit facilities are secured against ranking charge over fixed assets of the Company with 25% margin, ranking charge over current assets of the Company with 25% margin, pledge of molasses and biofuel, first pari passu charge over all present and future fixed assets of the Company and personal guarantees of one sponsor and a Director. These are additionally secured by pledge of shares of the Company and of other related parties.

11.2 Running finances / Istisna / running musharakah

The Company has an Istisna Islamic running finance facility and running musharakah converted from musharakah financing (Note 10) with BankIslami Pakistan Limited (BIPL), a related party of Rs. 200 million (2022: Rs. 200 million) and Rs. 120 million (2022: Rs. 120 million) respectively. The Company has also running finance facilities with National Bank of Pakistan (NBP) and United Bank Limited (UBL) of Rs. 32.20 million (2022: Rs. 80.80 million) and nil (2022: Rs. 49.10 million) respectively. The facilities from BIPL, NBP and UBL have range of Rs. 200 million (2022: Rs. 200 million), Rs. 100 million (2022: Rs. 100 million) and nil (2022: Rs. 49.10 million) respectively, while the running musharakah facility from BIPL was converted considering annual clean-up requirements. The mark-up rates on these facilities from BIPL, NBP and UBL were 6 Month KIBOR + 2% (2022: 6 Month KIBOR + 1 %) per annum, 1 Month KIBOR + 2.5% (2022: 1 Month KIBOR + 2%) per annum and deposit rate + 0.75% (2022: Deposit rate + 0.75%) to be charged monthly, respectively. The effective mark-up rates during the year for the facilities availed from BIPL, NBP and UBL ranged from 15.72% to 27.17% (2022: 8.53% to 17.02%) per annum, 18.01% to 24.96% (2022: 9.78% to 18.10%) per annum and 7.00% to 8.00% per annum respectively. The facilities from BIPL are secured against first charge over fixed assets (land, building, plant and machinery) amounting to Rs. 286 million (inclusive of 30% safety margin) and ownership of Istisna assets along with lien over first pari passu charge over fixed assets (including plant and machinery) of the Company amounting to Rs. 374 million. The expiry dates of these facilities are 30 September 2023, however these has been subsequently renewed with unchanged term and conditions till 31 March 2024. The facility from NBP is secured against first charge over present and future current assets of the Company amounting to Rs. 133.30 million (inclusive of 25% safety margin). The expiry date of this facility was 31 March 2024. Meanwhile the facility from UBL was secured by lien over Term Deposit Receipt of the Company maintained with UBL amounting to Rs. 58.50 million.

		NOTE	2023	2022
			Rupees in thousand	
12.	ACCRUED MARK-UP			
	Long term financing	12.1	33,553	23,766
	Lease liabilities		7,517	12,842
	Short term borrowings	12.2	126,090	91,440
			167,160	128,048

12.1 This includes mark-up of Rs. 13.70 million (2022: Nil) payable to BankIslami Pakistan Limited, a related party.

12.2 This includes mark-up of Rs. 86.05 million (2022: Rs. 12.56 million) payable to BankIslami Pakistan Limited, a related party.

	NOTE	2023	2022
		Rupees in thousand	
13. CURRENT PORTION OF NON-CURRENT LIABILITIES			
Current portion of long term financing	5	390,956	211,413
Current portion of lease liabilities	6	254,456	287,811
		645,412	499,224

14. CONTINGENCIES AND COMMITMENTS

a) Contingencies

(i) The Government of Punjab under the powers conferred through the Punjab Excise Act, 1914 through notification No. SO. Tax (E&T) 3-4/2012 dated 03 July 2012, levied a duty of Rs. 2 per liter on manufacturing of spirit (biofuel) with effect from 01 July 2012. In view of legal lacunas, discrimination as to other provinces, no legislative competence and lawful authority of Government of Punjab to impose such duty on industrial ethanol which is not alcohol liquor and the fact that the Holding Company is exporter of the spirit which is exempted under Order 6 of the Punjab Liquor Import, Export, Transportation and Possessions Orders, the management through its legal counsel has challenged the imposition of said levy and is currently contesting it at Lahore High Court, Lahore. Keeping in view all the court proceedings and grounds discussed in various higher courts, Punjab Government, after due deliberations of the Provincial Cabinet of the Punjab Government, on 20 August 2019, through its notification no. SO(E&M)2-5/2018/ED withdrew the imposed duty of Rs. 2 per liter upon the manufacture of spirit in any distillery. As per Holding Company's legal counsel, the Holding Company has clear-cut case and the decision of the case shall be in favor of the Holding Company. In view of the aforesaid, the duty on manufacturing of spirit (biofuel) of Rs. 229.92 million (2022: Rs. 229.92 million) previously deposited on this account has been recognized as receivable being refundable.

(ii) The Holding Company has paid an advance amounting to Rs. 12.99 million (2022: Rs. 12.99 million) to Messrs Industrial Enterprises for designing the boiler project to use only biogas as fuel with no option of burning bagasse. However, the boiler could not generate steam as per specification. It is unlikely that this project will be completed. Therefore the Holding Company has gone into litigation with Industrial Enterprises in Civil Court, Jhang on 03 July 2018 for the recovery of the advance paid along with damages. Based on the advice of legal counsel, there are favorable grounds that the case will be decided in favor of the Holding Company and the advance amount paid will be refunded back.

(iii) An appellate order was made by Commissioner Inland Revenue, Appeals, Lahore on 30 November 2020 under section 33 of Federal Excise Act, 2005, confirming payment of federal excise duty of Rs. 12.76 million (2022: Rs. 12.76 million) including penalty regarding export of sugar to Afghanistan through land route in 2014. The Holding Company has filed appeal before Appellate Tribunal Inland Revenue, Lahore against this order on 23 December 2020. No provision has been recognized in the books of account as the Holding Company is confident on positive outcome of the appeal, on the advice of legal counsel.

(iv) The Competition Commission of Pakistan (CCP) imposed penalties of Rs. 312.60 million (2022: Rs. 312.60 million) on sharing commercially sensitive information and Rs. 437.63 million (2022: Rs. 437.63 million) against collective decision on export quantities. Against these penalties, the Holding Company has lodged appeal before Competition Appellate Tribunal on 14 October 2021, whose decision is pending. On the advice of legal counsel, management is confident that the matter will be decided in the favor of the Holding Company.

(v) Deputy Commissioner Inland Revenue issued pre-audit reports of the Holding Company under section 177(6) of Income Tax Ordinance, 2001 relevant to tax years 2018 and 2019. The Holding Company filed writ petition on 01 October 2020 in Lahore High Court, Lahore against the selection of audit. The petition was accepted in Intra Court Appeal vide order dated 27 April 2022. On the advice of legal counsel, management is confident that the matter having no financial impact will be decided in the favor of the Holding Company.

(vi) Deputy Commissioner Inland Revenue passed orders against the Holding Company dated 23 November 2020 and raised demands of sales tax amounting to Rs. 164.61 million (2022: Rs. 164.61 million), Rs. 1,017.75 million (2022: Rs. 1,017.75 million) and Rs. 802.71 million (2022: Rs. 802.71 million) relating to tax years 2017, 2018 and 2019 respectively on the grounds of suppression of production / sales of molasses, bagasse and mud along with default surcharge and penalty under Sales Tax Act, 1990. Against these orders, the Holding Company filed appeals before Commissioner Inland Revenue Appeals (CIR(A)) who set aside the orders on 06 September 2021, with the direction to assessing officer to reconsider the arguments of the Holding Company. As per Holding Company's legal counsel, no provision is required as the Holding Company has good arguable cases.

(vii) Deputy Commissioner Inland Revenue passed an order against the Holding Company dated 23 November 2020 and raised demand of Federal Excise Duty in sales tax mode amounting to Rs. 475.14 million (2022: Rs. 475.14 million) relating to tax year 2017 on the grounds of suppression of production / sales of white crystalline sugar along with default surcharge and penalty under Federal Excise Act, 2005. Against this order, the Holding Company filed appeal before Commissioner Inland Revenue Appeals (CIR(A)) who set aside the order on 06 September 2021, with the direction to assessing officer to reconsider the arguments of the Holding Company. As per Holding Company's legal counsel, no provision is required as the Holding Company has good arguable case.

(viii) Commissioner Inland Revenue (Appeals) (CIR(A)) lodged petition in Lahore High Court, Lahore against the Holding Company on 17 June 2021 regarding the order to recover sales tax of Rs. 78.87 million (2022: Rs. 78.87 million) along with default surcharge and penalty against which an appeal of the Holding Company was accepted by Appellate Tribunal Inland Revenue on 10 November 2020. According to legal counsel of the Holding Company, the petition filed by CIR(A) is on weak grounds therefore no provision is recognized in these consolidated financial statements.

(ix) The Holding Company has filed appeals before Appellate Tribunal Inland Revenue on 05 April 2022 against assessment orders under section 11 of the Sales Tax Act, 1990 passed by the Commissioner Inland Revenue (Appeals) regarding the recovery of sales tax of Rs. 8.27 million for the tax periods October 2016 and March 2018. As per Holding Company's legal counsel, no provision is required as the Holding Company has good arguable cases.

(x) Deputy Commissioner Inland Revenue issued show cause notices to the Holding Company on 19 May 2022 and on 16 February 2022 against the input tax adjustments of exempt / inadmissible supplies from July 2020 to June 2021 and from July 2021 to November 2021 amounting to Rs. 1.428 million and Rs. 9.28 million respectively in violation of section 8(2) of the Sales Tax Act, 1990. The collective amount was later reduced to Rs. 3.21 million. The appeals before Appellate Tribunal Inland Revenue dated 18 August 2022 and 18 October 2022, subsequent to the reporting date, are being pursued by the Holding Company. On the advice of legal counsel, management is confident that the matters will be decided in the favor of the Holding Company.

(xi) Deputy Commissioner Inland Revenue on 29 June 2021 passed an order under section 122(4) of Income Tax Ordinance, 2001 and made an addition amounting to Rs. 2.13 billion being unexplained income under section 111(1)(b) of Ordinance. The Holding Company on 19 March 2022 filed an appeal before Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication. Moreover due to addition as mentioned above, Additional Commissioner Inland Revenue adjusted the refunds claimed by the Holding Company and a demand of Rs. 31.43 million was created. The Holding Company, being aggrieved has filed an appeal before ATIR on 25 October 2022, subsequent to the reporting date. On the advice of legal counsel, management is confident that the matters will be decided in the favor of the Holding Company.

(xii) Commissioner Inland Revenue (CIR) filed sales tax reference no. 50364/2020 against the Holding Company in Lahore High Court, Lahore on 13 October 2020 challenging the judgment of Appellate Tribunal Inland Revenue of setting aside various sales tax / federal excise duty demands of Rs. 28.82 million. As per Holding Company's legal counsel, no provision is required as the reference filed by CIR is on weak grounds and will be dismissed by the Court.

(xiii) In addition to above-mentioned matters there are certain cases which have been filed against the Holding Company, primarily by the Holding Company's employees, customers and vendors. However, the management is of the view that in the overall context of these consolidated financial statements, there would be no significant liability of the Holding Company against such cases.

(xiv) Bank guarantee amounting to Rs. 59.40 million (2022: Rs. 59.40 million) has been given by the Bank of the Subsidiary Company in favor of Sui Northern Gas Pipelines Limited for the performance of contract.

(xv) The Subsidiary Company has preferred an appeal before the Commissioner Inland Revenue (Appeals) (CIR(A)) against order passed by the Additional Commissioner Inland Revenue for the tax year 2011 under Section 122(5A) of the Income Tax Ordinance, 2001, whereby tax demand of Rs. 6.25 million was created. However, on request for rectification, the tax demand was curtailed to Rs. 1.29 million. The main appeal has been heard on 15 October 2020 and the CIR(A) has deleted the tax demand of Rs. 1.30 million. Additions to the deemed income amounting to Rs. 1.28 million remained in field by deleting impugned additions of Rs. 89.82 million. Based on tax advisor's opinion, management is confident that no tax liability would arise, therefore, no provision has been made in these consolidated financial statements.

(xvi) Assessment for the tax year 2012 was amended under Section 122(5A) of the Income Tax Ordinance, 2001 resulting into additions of Rs. 17.21 million and income tax demand of Rs. 3.37 million. On appeal, the Commissioner Inland Revenue (Appeals) (CIR(A)) has deleted all the additions and demand vide order number 05 dated 12 July 2018. However the department has preferred further appeal against this order of the CIR(A) which is pending for adjudication before the Appellate Tribunal Inland Revenue. Based on opinion of the Subsidiary Company's tax advisor, management is confident that no tax liability would arise, therefore, no provision has been made in these consolidated financial statements.

(xvii) Proceedings under Section 122 (5A) of Income Tax Ordinance, 2001 were initiated and order passed for the tax year 2013 wherein arbitrary additions to the tune of Rs. 177.44 million and tax demand of Rs. 85.45 million were made. This triggered the Subsidiary Company for filing an appeal before the Commissioner Inland Revenue Appeals (CIR(A)), who vide order dated 14 June 2018 annulled the amended assessment order for de-novo proceedings. In reassessment proceedings, additions were curtailed to Rs. 32.63 million. On filing an appeal before the CIR(A), additions to the tune of Rs. 25.15 million were annulled through order number 01 dated 06 January 2020. The Subsidiary Company has preferred an appeal against the said order before the Appellate Tribunal Inland Revenue which is pending for hearing. Based on tax advisor's opinion, management is confident that no tax liability would arise, therefore, no provision has been made in these consolidated financial statements.

(xviii) The Deputy Commissioner Inland Revenue passed an order dated 26 October 2020 under section 11(2) of the Sales Tax Act, 1990 and raised tax demand of Rs. 88.93 million against inadmissible input tax adjustment during the tax periods from July 2014 to June 2017. On filing of appeal, the Commissioner Inland Revenue Appeals vide order No. 21/2020 dated 20 February 2021 upheld the demand of Rs. 1.91 million by disallowing input tax on certain items. No provision has been made in these consolidated financial statements, since the management of the Subsidiary Company, based on tax advisor's opinion, is confident that no liability can be arisen.

(xix) Proceedings under sections 161/205 of the Income Tax Ordinance, 2001 for the tax years 2014 and 2015 were initiated and concluded by Deputy Commissioner Inland Revenue on 14 February 2017 and 03 March 2017 respectively. Under these proceedings, demands of Rs. 1.35 million and Rs. 1.40 million respectively were created. The Subsidiary Company has filed appeals before the Commissioner Inland Revenue (Appeals) (CIR(A)) against orders of afore-mentioned years. With respect to tax year 2014, the appeal of the Subsidiary Company was heard by CIR(A) who deleted impugned recovery amounting to Rs. 0.25 million vide order dated 21 May 2020. The default surcharge was also deleted subject to verification of refunds. Subsidiary Company and department had preferred further appeals before the Appellate Tribunal Inland Revenue which are pending for adjudication. The appeal for tax year 2015 has been concluded by the CIR(A) by deleting impugned demand of Rs. 0.90 million vide order dated 23 September 2020. Based on tax advisor’s opinion, management expects favorable outcome of the appeals, therefore no provision has been recorded in these consolidated financial statements.

(xx) The case of the Subsidiary Company was selected for audit of its income tax affairs for the tax year 2014 in the random computerized balloting held on 14 September 2015. The proceedings under Section 177 read with Section 122 of the Income Tax Ordinance, 2001 were completed creating tax demand of Rs. 3.07 million and impugned additions of Rs. 71.31 million. On appeal before the Commissioner Inland Revenue (Appeals) (CIR(A)), additions to the tune of Rs. 5.99 million were deleted and demand of tax was confirmed through order number 03 dated 05 June 2020. Subsidiary Company and the department have further assailed the order before the Appellate Tribunal Inland Revenue which is pending for adjudication. Based on the tax advisor's opinion, management is confident of favorable outcome of the appeal. Therefore, no provision has been made in these consolidated financial statements.

(xxi) The Collector of Customs issued a revised classification ruling through a public notice on 04 April 2023, categorizing 'Tea Whitener' produced by the dairy companies under Chapter 21 of the Customs Act, 1969. This ruling diverges from previous classifications in 2011 and 2019, which placed the product under Chapter 19. Notably, the classification under Chapter 21 is subject to the standard rate of sales tax, unlike the zero rating applicable under Chapter 19. Expressing dissatisfaction, the dairy companies filed appeals before the Honorable Lahore High Court (LHC) against the Collector of Customs' order. The LHC transformed the petition into a representation before the FBR, instructing the provision of a proper hearing opportunity. Following the LHC's directives, the Member (Customs Policy) conducted the hearing and issued an order on 19 September 2023, upholding the Collector's ruling. This order has been challenged before the LHC. The LHC, in response, issued a stay order on 25 September 2023, stipulating that the contested classification ruling should not be implemented, and the treatment of tea whitener should follow prior practices. Based on advice from legal counsel, the Company's management is confident that the decision will be in favor of the Company. Additionally, in the event of an unfavorable decision, the management asserts that the Collector's order will be applicable prospectively from the date of the LHC's order to be issued in response to the aforementioned pending petition. Consequently, no provision has been recognized in these financial statements.

(xxii) The Deputy Commissioner Inland Revenue passed an order dated 26 August 2022 under section 11(2) of the Sales Tax Act, 1990 and raised tax demand of Rs. 261.32 million along with penalty of Rs. 13.07 million against inadmissible input tax adjustment during the tax periods from July 2020 to June 2021. Against this order, the Subsidiary Company has filed appeal before the Commissioner Inland Revenue Appeals (CIR(A)). No hearing has been yet fixed by the CIR(A). Based on tax advisor's opinion, management is confident that no tax liability would arise, therefore no provision has been made in these consolidated financial statements.

(xxiii) The Subsidiary Company was served a notice for amendment in assessment under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2021. The Subsidiary Company challenged the notice on legal basis that the Commissioner Inland Revenue (CIR) cannot make enquiries from the taxpayer in view of change brought through the Finance Act, 2021. The Subsidiary Company also filed a writ petition before Lahore High Court, Lahore which disposed of the same with direction to the CIR to look into the matter for passing a speaking order. However, the Additional Commissioner Inland Revenue has passed the amended order dated 11 October 2022, subsequent to the reporting date wherein tax demand of Rs. 420.47 million has been raised. The Subsidiary Company has preferred an appeal before the Commissioner Inland Revenue (Appeals) which is pending for adjudication. No provision has been made in these consolidated financial statements, since the management of the Subsidiary Company, based on tax advisor's opinion, is confident that the outcome of the appeal will be in favor of the Subsidiary Company.

(xxiv) The DCIR passed an order u/s 11(2) of the Sales Tax Act, 1990 dated 26 October 2023 for tax periods January 2018 to June 2019. Sales Tax demand of Rs. 11.86 Million has been raised on grounds that 100% input tax has been adjusted instead of restricting it to 90% of the output tax in violation of Section 8(B)(1) of the Sales Tax Act,1990. On appeal by subsidiary company before the CIR(A), the demand of Rs.11.86 million has been deleted vide order dated 22 December 2023 whereas penalty and default surcharge amounting Rs. 0.59 million has been maintained. The Subsidiary Company has preferred an appeal before the ATIR and expects a favorable decision on the matter.

(xxv) The Commissioner Inland Revenue has filed a Sales Tax Reference before the Lahore High Court Lahore against the ATIR order dated 22 June 2022 on deleting the demand against charging of extra tax & further tax on the Electricity & Sui Gas bills for the Months of March 2022 & April 2022. No hearing has been fixed yet. The Subsidiary Company expects a favorable decision in this matter.

(xxvi) The Bank of Punjab filed an appeal before the Lahore High Court Lahore against the order dated 12 July 2018 passed by the Banking Court in suit No. 492/1/2015 whereby the recovery for Rs. 2.4 Million in suit of the plaintiff was dismissed. The matter is pending for adjudication before the Lahore High Court Lahore. The Subsidiary Company expects a favorable decision against it.

(xxvii) The department has preferred an appeal before the Appellate Tribunal Inland Revenue against the order of the Commissioner Inland Revenue Appeals, Lahore having order number 23 dated January 16,2018 for the periods July 2010 to November 2012 wherein it was alleged that Subsidiary Company has obtained illegal sales tax refund amounting to Rs. 134.11 Million. Notice of hearing received but no hearing done due to non availability of Learned Members of ATIR.

(xxviii) Assistant Commissioner Inland Revenue vide order dated 4th June, 2012 issued a showcause notice with the identification of 11 different audit observations. Upon reply from Shakarganj Limited, a few observations were removed via Commissioner Appeals-I vide order dated 28th January, 2013. Commissioner Appeals-I applied to Appellate Tribunal for upholding of initial order but ATIR decided in the favor of the Company. The case is pending in Lahore High Court. On the advice of legal counsel, management is confident that the matter will be decided in favor of the Company.

(xxix) Commissioner Inland Revenue filed Income Tax reference impugning order dated 12th April, 2022 passed in ITA NO, 1564/LB/2015 pertaining to incorrect application of minimum tax at the rate of 0.5% instead of 1% in the tax year 2011. The matter is still pending for adjucation in Lahore High Court. On the advice of legal counsel, management is confident that the matter will be decided in favor of the Company.

(xxx) Commissioner Inland Revenue filed sales tax reference against the Company in Lahore High Court impugning order dated 8th March, 2022 passed by the Appellate Tribunal in STA No. 132/LB/2022. The reference was decided on 1st November, 2023. The matter was remanded back to Tribunal for decision afresh. On the advice of legal counsel, management is confident that the matter will be decided in favor of the Company.

b) Commitments

i) Contracts for capital expenditure of the Group are of Rs. Nil (2022: Rs. 0.43), while the contract for other than capital expenditure of the Group are of Rs. 17.78 million (2022: Rs. Nil).

ii) Ijarah commitments are of Rs. 10.76 million (2022: Rs. 12.01 million).

The total of future ijarah payments under arrangement are as follows:

	2023	2022
	Rupees in thousand	
Not later than one year	4,263	5,438
Later than one year and not later than five years	6,491	6,575
	10,754	12,013

These Ijarah arrangements are with BankIslami Pakistan Limited, a related party and OLP Modaraba (formerly Orix Modaraba) against vehicles.

	NOTE	2023	2022
		Rupees in thousand	
15. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	15.1	19,521,006	21,074,204
Capital work-in-progress	15.2	399,072	381,533
		19,920,078	21,455,737

15.1 OPERATING FIXED ASSETS

Rupees in thousand

	Freehold land	Building	Plant and machinery	Tools and equipment	Water, electric and weighbridge equipment	Furniture and fixtures	Office equipment	Vehicles	Laboratory and milk collection equipment	Arms and ammunition	Library books	Total
Year ended 30 September 2022												
Opening net book value	3,054,162	2,014,232	16,952,094	2,077	127,941	25,847	10,609	43,843	8,860	40	116	22,239,821
Additions	-	3,982	32,001	251	24	3,320	2,793	4,321	-	-	-	46,692
Net revaluation surplus	34,554	41,988	214,202	-	-	-	-	-	-	-	-	290,744
Classification to proper heads:												
Cost	-	-	-	-	46	33	(79)	-	-	-	-	-
Accumulated depreciation	-	-	-	-	(46)	(33)	79	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Disposals / De-recognitions:												
Cost / revalued amount	(17,900)	(23,022)	(206,096)	(31,898)	(38,135)	(28,062)	(33,695)	(37,897)	(6,995)	(232)	(102)	(424,034)
Accumulated depreciation	-	1,583	84,236	31,745	37,353	27,245	33,486	34,408	6,992	218	102	257,368
	(17,900)	(21,439)	(121,860)	(153)	(782)	(817)	(209)	(3,489)	(3)	(14)	-	(166,666)
Transferred from non-current assets held for sale (Note 29.1):												
Cost / revalued amount	-	-	114,015	-	-	-	-	-	-	-	-	114,015
Accumulated depreciation	-	-	(18,290)	-	-	-	-	-	-	-	-	(18,290)
	-	-	95,725	-	-	-	-	-	-	-	-	95,725
Classified as non current assets held for sale (Note 29.1):												
Cost / revalued amount	-	-	(175,291)	-	-	-	-	-	-	-	-	(175,291)
Accumulated depreciation	-	-	62,964	-	-	-	-	-	-	-	-	62,964
	-	-	(112,327)	-	-	-	-	-	-	-	-	(112,327)
Depreciation charge	-	(136,881)	(1,150,257)	(565)	(14,814)	(3,097)	(3,834)	(8,690)	(1,611)	(8)	(28)	(1,319,785)
Closing net book value	3,070,816	1,901,882	15,909,578	1,610	112,369	25,253	9,359	35,985	7,246	18	88	21,074,204
At 30 September 2022												
Cost / revalued amount	3,070,816	2,172,071	18,367,545	19,887	413,985	63,959	66,263	164,048	27,144	343	10,901	24,376,962
Accumulated depreciation	-	(270,189)	(2,457,967)	(18,277)	(301,616)	(38,706)	(56,904)	(128,063)	(19,898)	(325)	(10,813)	(3,302,758)
Net book value	3,070,816	1,901,882	15,909,578	1,610	112,369	25,253	9,359	35,985	7,246	18	88	21,074,204
Opening net book value	3,070,816	1,901,882	15,909,578	1,610	112,369	25,253	9,359	35,985	7,246	18	88	21,074,204
Additions	-	1,697	119,991	28	1,233	318	881	9,940	-	-	-	134,088
Net revaluation surplus	-	-	-	-	-	-	-	-	-	-	-	-
Classification to proper heads:												
Cost	-	-	1,978	-	(519)	10	414	-	-	-	-	1,883
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	1,978	-	(519)	10	414	-	-	-	-	1,883
Disposals / De-recognitions:												
Cost / revalued amount	-	-	(59,371)	-	(459)	(1,997)	(1,115)	(9,777)	-	-	(1)	(72,720)
Accumulated depreciation	-	-	13,961	-	50	451	757	7,318	-	-	1	22,538
	-	-	(45,410)	-	(409)	(1,546)	(358)	(2,459)	-	-	-	(50,182)
Transferred from lease assets :												
Cost / revalued amount	-	-	826,307	-	-	-	-	-	-	-	-	826,307
Accumulated depreciation	-	-	(153,214)	-	-	-	-	-	-	-	-	(153,214)
	-	-	673,093	-	-	-	-	-	-	-	-	673,093
Classified as non current assets held for sale (Note 29.1):												
Cost / revalued amount	-	-	(1,404,336)	-	-	-	-	-	-	-	-	(1,404,336)
Accumulated depreciation	-	-	323,822	-	-	-	-	-	-	-	-	323,822
	-	-	(1,080,514)	-	-	-	-	-	-	-	-	(1,080,514)
Depreciation charge	-	(128,172)	(1,074,634)	(439)	(12,734)	(2,809)	(3,071)	(8,521)	(1,161)	(3)	(22)	(1,231,566)
Closing net book value	3,070,816	1,775,407	14,504,082	1,199	99,940	21,226	7,225	34,945	6,085	15	66	19,521,006
At 30 September 2023												
Cost / revalued amount	3,070,816	2,173,768	17,852,114	19,915	414,240	62,290	66,443	164,211	27,144	343	10,900	23,862,184
Accumulated depreciation	-	(398,361)	(3,348,032)	(18,716)	(314,300)	(41,064)	(59,218)	(129,266)	(21,059)	(328)	(10,834)	(4,341,178)
Net book value	3,070,816	1,775,407	14,504,082	1,199	99,940	21,226	7,225	34,945	6,085	15	66	19,521,006
Annual rate of depreciation (%)	-	5, 7.5	5, 7.5, 30	20, 40	10, 20, 40	10, 20	30, 40	20	10, 40	20	20, 30	

15.1.1 Detail of operating fixed assets disposed off during the year is disclosed in Note 15.1.3.

15.1.2 Particulars of immoveable properties in the name of the Group are as follows:

Particulars	Location	Area of land
Shakarganj Limited		
Freehold land (Farms)	Land at Chak Rasool Pur	103 Kanals, 13 Marlas
	Land at Moza Billi Habib (Nualan Par)	284 Kanals, 16 Marlas
	Land at Moza Chandia Nasheb	438 Kanals, 1 Marla
	Land at Moza Turbat Haji Shah	17 Kanals, 9 Marlas
	Land at Moza Doka Baloucha	639 Kanals, 5 Marlas
	Land at Moza Kot Esa Shah	1 262 Kanals
	Land at Moza Kot Khan	2 926 Kanals, 4 Marlas
	Land at Chak 462 JB	781 Kanals, 13 Marlas
	Land at Kot Sahai Singh	52 Kanals, 4 Marlas
Freehold land (Bhone)	Land at Chund Bharwana	1 Kanal
	Land at Adda Massan	1 Kanal
	Bhone Unit (factory land)	1 420 Kanals, 4 Marlas
Freehold land (Jhang)	Land at Lalazar	1 Kanal
	Land at Moza Suleman Adda Sher Abad	1 Kanal
	Land at Chak 426 Adda Pul	1 Kanal
	Land at Chak 428 Adda Pul	1 Kanal
	Land at Chak 316 Talwandi	15 Kanals, 16 Marlas
	Land at Moza Sangra Adda Kot Shakir	1 Kanal
	Land at Islam Wala Adda Pul Gagan	1 Kanal
	Land at Adda Kot Bahadar	1 Kanal
	Land at Moza Kalachi Adda	1 Kanal
	Land at Moza Gilmala	1 Kanal
	Land at Malluana More	10 Marlas
	Land at Roran Wali	1 Kanal
	Jhang Unit (factory land)	1 289 Kanals, 5 Marlas
Shakarganj Food Products Limited		
Dairy plant	4 KM Lahore Road, Jaranwala	701 316 Square Feet
Juice plant	Near Ahmad Nagar, Sargodha Road, Tehsil Lalian, District Chiniot	231 957 Square Feet
Fruit procurement centre	Chak No. 13 S.B. Ajnala Station, Muazzamabad Road, Tehsil Bhalwal, District Sargodha	43 560 Square Feet

15.1.3 Detail of operating fixed assets, exceeding the book value of Rupees 500,000, disposed of during the year is as follows:

Description	Cost / revalued amount	Accumulated depreciation	Net book value	Sale proceeds	(Loss) / gain	Mode of disposal	Particulars of purchasers
	-----Rupees in thousand-----						
Plant and machinery							
B-Centrifugal Machines K-12 DC	7,105	985	6,120	5,410	(710)	Auction	Muhammad Afzaal, Near Ghalla Mandi, Toba Road, Jhang
Farm Cooling Tank 1000L	573	51	522	550	28	Negotiation / tender	
Farm Cooling Tank 1000L	573	51	522	496	(26)	Negotiation / tender	
Plant & machinery having book value less than Rupees 500,000	51,120	12,873	38,247	28,969	(9,278)	Negotiation / tender	
	59,371	13,960	45,411	35,425	(9,986)		
Vehicles							
Car Toyota Corolla GLi ACU 765	2,054	1,254	800	2,725	1,925		Mr. Muhammad Iqbal
LE - 19A -3076	143	7	136	1,765	1,629		Shakeel Ahmad Hashmi
LEB-19A- 5693	146	-	146	429	283		Asad Raza
LEE - 12-2460	882	795	87	332	245		M.Azam Milk
AGY-773	180	9	171	2,585	2,414		Naveed Ahmad
LED-14-2189	1,137	961	176	368	192		Main Asif
BQM 19-242	210	17	193	3,300	3,107		Syed Ali
Car - LEC-19-5162	210	18	192	978	786		Muhammad Amir Hanif
Car - LEE-19-7081	210	18	192	2,400	2,208		Arif Ullah Khan
Motorcycle - VRN3599	90	73	17	18	1		Altaf Hussain
Motorcycle - JGK 5222	92	62	30	35	5		Mr.Nawaz Sial AE - Jhang
Motorcycle - BNK-18-4043	107	69	38	76	38		Muhammad Abubakar Moueez - B.Nagar
Truck - LES 9329	860	787	73	1,750	1,677		Subhan Carriers
SUZUKI WAGON R LEA-17-1526	105	-	105	358	253		
	6,426	4,070	2,356	17,119	14,763		
Aggregate of other items of property, plant and equipment with individual book values not exceeding Rs. 500,000	6,923	4,508	2,415	2,848	433		
Total	72,720	22,538	50,182	55,392	5,210		

15.1.4 The carrying amount of freehold land, building and plant and machinery would have been Rs. 201.83 million (2022: Rs. 201.83 million), Rs. 623.27 million (2022: Rs. 623.27 million) and Rs. 6,636.64 million (2022: Rs. 6,636.64 million) respectively, had there been no revaluation.

15.1.5 Forced sale value as per last revaluation was Rs. 2,470.97 million, Rs. 1,622.22 million and Rs. 13,308.39 million for freehold land, building and plant and machinery respectively.

		NOTE	2023	2022
			Rupees in thousand	
15.1.6	The depreciation charge has been allocated as follows:			
	Cost of sales	31	1,205,519	1,292,112
	Distribution cost	32	6,774	7,087
	Administrative expenses	33	19,273	20,586
			1,231,566	1,319,785

15.1.7 Plant and machinery includes assets having cost of Rs. 25.89 million (2022: Rs. 25.89 million) and book value of Rs.13.61 million (2022: Rs. 14.33 million) amounted on transport contractors' vehicles.

15.2 CAPITAL WORK-IN-PROGRESS

Rupees in thousand

	Civil works	Plant and machinery	Advances for capital expenditure (Note 15.2.1)	Electric Installations	Total
At 01 October 2021	1,296	72,842	55,429	-	129,567
Add: Additions during the year	8,183	192,764	82,463	-	283,410
Less: Transferred to operating fixed assets during the year	(3,982)	(27,330)	(132)	-	(31,444)
At 30 September 2022	5,497	238,276	137,760	-	381,533
Add: Additions during the year	2,000	170,680	-	-	172,680
Less: Transferred to operating fixed assets during the year	(1,296)	(119,980)	(33,865)	-	(155,141)
At 30 September 2023	6,201	288,976	103,895	-	399,072

		2023	2022
		Rupees in thousand	
15.2.1	Advances for capital expenditure		
	Considered good:		
	- Plant and machinery	103,895	137,760
	Considered doubtful:		
	- Plant and machinery	21,664	21,664
	- Intangibles	15,274	15,274
		36,938	36,938
		140,833	174,698
	Less: Provision against doubtful advances	(36,938)	(36,938)
		103,895	137,760

16. RIGHT-OF-USE ASSETS

	NOTE	Plant and machinery	Building	Total
		Rupees in thousand		
As at 01 October 2021		1,274,366	9,862	1,284,228
Additions		-	27,831	27,831
Net revaluation surplus		54,575		54,575
Depreciation charge		(63,625)	(10,510)	(74,135)
As at 30 September 2022		1,265,316	27,183	1,292,499
Additions		-	11,274	11,274
Reclassification adjustment		(1,883)	-	(1,883)
Transferred to owned assets		(673,090)	-	(673,090)
Depreciation charge	16.1	(44,503)	(12,025)	(56,528)
As at 30 September 2023		545,840	26,432	572,272
Annual rate of depreciation (%)		5	33	

	NOTE	2023	2022
		Rupees in thousand	
16.1 Depreciation charge for the year has been allocated as follows:			
Cost of sales	31	44,502	63,624
Distribution cost	32	5,838	5,329
Administrative expenses	33	6,188	5,182
		56,528	74,135

17. INTANGIBLE ASSET

Computer software

	NOTE	2023	2022
Net carrying value basis			
Opening net book value		2,291	3,437
Amortization charged	33	(1,145)	(1,146)
Closing net book value		1,146	2,291
Gross carrying amount			
Cost		6,605	6,605
Accumulated amortization		(5,459)	(4,314)
Closing net book value		1,146	2,291

	2023	2022
Amortization rate (per annum)	20%	20%

17.1 This represents enhancements made to the ERP system named Sidat Hyder Financials. It is stated at historical cost and amortized on straight-line basis over its expected useful life of 5 years.

		NOTE	2023	2022
			Rupees in thousand	
18.	BIOLOGICAL ASSETS			
	Sugarcane - mature	18.1	-	2,881
	Rice - mature		1,632	-
	Livestock - mature	18.2	28,889	30,204
			30,521	33,085
	Non - current - livestock		28,889	30,204
	Current - crops		1,632	2,881
			30,521	33,085

18.1 The value of mature sugarcane crops is based on estimated average yield of NIL (2022: 600) mounds per acre on cultivated area of NIL (2022: 12) acres. The cultivated area of current year dropped significantly from last year due to letting out most of the agriculture land instead of cultivating by the Company itself.

18.2 Livestock comprises 220 (2022: 234) cows, heifers, bulls and calves.

		NOTE	2023	2022
			Rupees in thousand	
18.3	Movement during the year			
	Livestock			
	As at 01 October		30,204	18,333
	Gain arising from changes in fair value less estimated point of sale costs		1,572	12,742
	Decrease due to sale / deceased livestock		(2,887)	(871)
	As at 30 September		28,889	30,204
	Crops			
	As at 01 October		2,881	16,232
	Increase due to purchases / costs incurred		4,157	61,172
	Decrease due to harvest / sales		(7,852)	(54,149)
	Fair value adjustment related to sales during the year		3,848	(7,023)
	Fair value adjustment of agricultural assets	31	(1,402)	(13,351)
	As at 30 September		1,632	2,881
			30,521	33,085

		NOTE	2023	2022
			Rupees in thousand	
19.	LONG TERM INVESTMENTS			
	At fair value through other comprehensive income			
	Related party - quoted			
	Crescent Steel and Allied Products Limited 180 000 (2022: 180 000) fully paid ordinary shares of Rs. 10 each.		15,921	15,921
	Others - unquoted			
	Crescent Group (Private) Limited 220 000 (2022: 220 000) fully paid ordinary shares of Rs. 10 each.		2,200	2,200
	Crescent Standard Telecommunications Limited 300 000 (2022: 300 000) fully paid ordinary shares of Rs. 10 each.		3,000	3,000
	Innovative Investment Bank Limited 51 351 (2022: 51 351) fully paid ordinary shares of Rs. 10 each		-	-
			21,121	21,121
	Less: Fair value adjustment		(16,542)	(14,344)
			4,579	6,777
20.	LONG TERM LOANS AND ADVANCES			
	Long term loans - considered good:			
	Executives	20.1/20.2	15,829	12,661
	Other employees	20.2	7,009	10,943
			22,838	23,604
	Advance to Creek Marina (Private) Limited - considered doubtful	20.4	38,557	38,557
			61,395	62,161
	Less: Provision against doubtful advances		38,557	38,557
			22,838	23,604
	Less: Current portion shown under current assets	25	6,376	9,373
			16,462	14,231

20.1 Maximum aggregate balance due from executives at the end of any month during the year was Rs. 15.83 million (2022: Rs. 12.66 million).

20.2 These represent interest free loans given to Subsidiary Company's executives and other employees for purchase of vehicles and other purposes recoverable in equal monthly installments and secured against balance to the credit of these employees in the retirement benefit.

20.3 The fair value adjustment in accordance with the requirements of IFRS 9 'Financial Instruments: Recognition and Measurement' arising in respect of staff loan is not considered material and hence not recognized.

20.4 This represents payment for two apartments in the Creek Marina Projects pursuant to a settlement agreement entered into by the Holding Company and the former Crescent Standard Investment Bank Limited in year 2006. The construction work at the site has been halted since year 2011 due to differences between Defence Housing Authority and the developer. The resumption of construction work is still uncertain in near future. Consequently, based on prudence principal the Holding Company provided the above advance in full.

	NOTE	2023	2022
		Rupees in thousand	
21. LONG TERM DEPOSITS			
Margin against bank guarantee - considered good		59,400	59,400
Security deposits:			
Considered good		60,864	62,882
Considered doubtful		265	265
		120,529	122,547
Less: Provision for doubtful receivables		265	265
		120,264	122,282
22. STORES, SPARE PARTS AND LOOSE TOOLS			
Stores		121,001	76,934
Spare parts		220,480	196,869
Loose tools		773	822
		342,254	274,625
Less: Provision for obsolete items		(2,820)	(2,820)
		339,434	271,805
23. STOCK-IN-TRADE			
Raw materials	23.1	1,026,222	363,028
Packing material		338,095	409,041
Work-in-process		13,126	11,399
Finished goods	23.2	814,853	539,978
		2,192,296	1,323,446

23.1 These include stock of Rs. 35.25 million (2022: Rs. 14.27 million) held by a third party.

23.2 These include stock of Rs. 0.22 million (2022: Rs. 0.20 million) held by a third party.

23.3 Stock-in-trade of Rs. 672.17 million (2022: Rs. 0.16 million) is being carried at net realizable value.

23.4 The aggregate amount of write-down of inventories to net realizable value recognized as an expense during the year was Rs. 120.78 (2022: Nil)

		NOTE	2023	2022
			Rupees in thousand	
24.	TRADE DEBTS			
	Unsecured - considered good			
	Others - against contracts		208,049	211,481
	Less: Allowance for expected credit losses	24.1	(20,299)	(14,546)
			187,750	196,935

		NOTE	2023	2022
24.1	Allowance for expected credit losses			
	Balance as at 01 October		14,546	11,958
	Provision for the year		8,501	4,168
	Reversal during the year		(2,748)	(1,580)
	Net provision during the year	34	5,753	2,588
	Balance as at 30 September		20,299	14,546

24.2 Revenue from the sale of goods is recognized at the time of delivery, while apart from certain advance payments, for credit sales payments is generally due within 30 days from delivery in case of local sales, and in case of export sales for the Holding Company advance payment is received while for Subsidiary Company payment is generally due within 30 days from dispatch.

24.3 As at 30 September 2023, trade debts aggregating to Rs. 204.59 million (2022: Rs. 182.27 million) are past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default. The ageing analysis of these trade debts is as follows:

		2023	2022
		Rupees in thousand	
	Upto 1 month	50,381	119,237
	1 to 6 months	116,206	58,960
	More than 6 months	38,000	4,073
		204,587	182,270
24.4	Trade debts in respect of foreign and local jurisdictions are as follows:		
	Somalia	-	2,367
	United States of America	-	2,436
	Saudi Arabia	-	3,366
	United Kingdom	-	8,701
	Qatar	1,769	-
	Maldives	1,484	-
	Pakistan	184,497	180,065
		187,750	196,935

		NOTE	2023 Rupees in thousand	2022 Rupees in thousand
25.	LOANS AND ADVANCES			
	Considered good:			
	- to employees (against salary)		13,064	10,309
	- to employees (against expenses)		4,530	3,608
	- to executives		299	1,441
	- to suppliers and contractors		214,263	288,288
	- to sugarcane growers		7,829	9,374
			239,985	313,020
	Current portion of long term loans and advances	20	6,376	9,373
	Due from related party	25.1	14,289	4,226
			260,650	326,619
	Less: Provision for doubtful loans and advances	25.2	17,158	17,167
			243,492	309,452
25.1	Due from related party			
	Crescent Steel and Allied Products Limited	25.1.2	14,289	4,226

25.1.1 Maximum aggregate balance due from the related party at the end of any month during the year was Rs. 7.07 million (2022: Rs. 8.41 million).

		NOTE	2023 Rupees in thousand	2022 Rupees in thousand
25.1.2	The ageing analysis of the balance due from related party is as follows:			
	Upto 1 month		10,261	1,127
	1 to 6 months		4,028	3,099
			14,289	4,226
25.2	Provision for doubtful loans and advances			
	Balance as at 01 October		17,167	16,789
	Provision for the year		-	378
	Reversal during the year		(9)	-
	Net provision during the year	35	(9)	378
	Balance as at 30 September		17,158	17,167

		NOTE	2023	2022
			Rupees in thousand	
26.	DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
	Considered good:			
	Security deposits		-	3,287
	Export rebate		41,737	41,737
	Prepayments		10,517	30,110
	Sales tax refundable		1,789,093	977,361
	Receivable from Employees' Provident Fund Trust		11,181	16,811
	Others		254,076	262,650
			2,106,604	1,331,956
	Less: Provision against doubtful receivables	26.1	(2,593)	(2,593)
			2,104,011	1,329,363

		2023	2022
		Rupees in thousand	
26.1	Provision for doubtful receivables		
	Balance as at 01 October	2,593	2,593
	Provision for the year	-	-
	Balance as at 30 September	2,593	2,593
27.	SHORT-TERM INVESTMENT		
	At amortized cost		
	Investment in term deposit receipt	-	55,000

27.1 This represents term deposit receipt with United Bank Limited having maturity period of one year and carrying profit at the rate of 8.25% per annum.

		NOTE	2023	2022
			Rupees in thousand	
28.	CASH AND BANK BALANCES			
	With banks:			
	In current accounts		122,530	69,548
	In foreign currency current accounts		4,112	-
	In saving accounts	28.1	4,946	2,736
			131,588	72,284
	Cash in hand		2,032	5,316
			133,620	77,600

28.1 These carry profit at the rates ranging from 13.50% to 20.50% (2022: 3.00% to 13.50%) per annum.

28.2 Cash with banks include balance of Rs. 4.87 million (2022: Rs. 12.86 million) with BankIslami Pakistan Limited, a related party.

29. NON-CURRENT ASSETS HELD FOR SALE

The non-current assets classified as held for sale under IFRS-5 'Non Current Assets held for Sale and Discontinued Operations' are summarized hereunder:

	NOTE	2023	2022
		Rupees in thousand	
Property, plant and equipment	29.1	894,288	202,575

29.1 Reconciliation of non-current assets held for sale

	NOTE	2023	2022
As at 01 October		202,575	335,180
Book value of assets transferred from property, plant and equipment:			
Freehold land		-	-
Plant and machinery	15.1	1,080,514	112,327
		1,080,514	112,327
Less: Book value of assets disposed of during the year			
Plant and machinery		(388,801)	(149,207)
		894,288	298,300
Less: Book value of assets transferred to property, plant and equipment	15.1	-	(95,725)
As at 30 September		894,288	202,575

29.1.1 Disposal of plant and machinery classified as non-current assets held for sale was made during the year against sale consideration of Rs. 461.34 million.

29.2 Specific items of freehold land, plant and machinery of Sugar segment of the Holding Company were presented as held for sale following the approval of Board of Directors (BOD) of the Holding Company in the meeting held on 04 January 2021. The management is hopeful of completing the sale transaction of these assets during the next financial year.

29.3 On 30 September 2022, pursuant to the approval of the Board of Directors of the Subsidiary Company, the Subsidiary Company classified two (2) items (packaging machines) of its operating fixed assets as 'assets held for sale', as these assets were available for immediate sale in their present condition and their sale was highly probable. During the year, the Company has disposed both these items..

29.4 During the year, pursuant to the approval of the Board of Directors of the Subsidiary Company, the Subsidiary Company classified six (6) items (i.e., filing and milk processing machines) of its operating fixed assets as 'assets held for sale', as these assets were available for immediate sale in their present condition and their sale was highly probable. As of the reporting date, the Company has disposed off one (1) item. The sale of remaining items is expected to be completed within one year from the reporting date. The management of the Subsidiary Company has determined that the fair value less cost to sell of these items is higher than their carrying amounts as at the date of classification. Accordingly, no impairment loss has been recognized in statement of profit or loss.

		NOTE	2023	2022
			Rupees in thousand	
30.	REVENUE FROM CONTRACTS WITH CUSTOMERS			
	Local sales	30.1	22,706,576	27,817,326
	Export sales		1,892,300	2,492,350
			24,598,876	30,309,676
30.1	Local sales			
	Sugar		8,287,476	10,168,814
	By-products		564,643	800,786
	Biofuel		283,403	352,794
	Dairy		15,889,882	20,272,152
	Yarn, polyester and cotton		-	310,577
	Juice		144,426	162,194
	Farm		2,035	46,139
	Waste		-	242
			25,171,865	32,113,698
	Less:			
	Sales tax and federal excise duty		(1,651,911)	(2,567,181)
	Trade discounts / replacements		(813,378)	(1,729,191)
			2,465,289	4,296,372
			22,706,576	27,817,326

30.2 Revenue recognized during the year from the contract liabilities at the beginning of the year is Rs.1,291.83 million (2022: Rs. 1,172.76 million).

30.3 Revenue is recognized at point in time as per the terms and conditions of underlying contracts with customers.

	NOTE	2023	2022
		Rupees in thousand	
31. COST OF SALES			
Raw materials consumed		15,130,824	17,822,895
Cost of raw material sold		-	12,723
Salaries, wages and other benefits	31.1	891,465	798,739
Consumption of stores, spare parts and loose tools / repair and maintenance		562,640	616,106
Dyes and chemicals consumed / processing charges		67,197	94,295
Loading and unloading charges		5,953	4,809
Packing materials consumed		3,777,282	4,641,506
Fuel and power		695,040	1,518,281
Insurance		21,908	23,272
Vehicle running and maintenance		59,184	43,308
Travelling and conveyance		19,275	16,804
Printing and stationery		6,152	6,503
Rent, rates and taxes	31.2	76,545	109,177
Land preparation and irrigation expenses		633	3,550
Sugarcane research and development		2,057	1,765
Fair value adjustment of agricultural assets	18.3	1,402	13,351
Depreciation - owned assets	15.1.6	1,205,519	1,292,112
Depreciation - right-of-use assets	16.1	44,502	63,624
Miscellaneous		64,981	70,782
		22,632,559	27,153,602
Work-in-process			
Opening stock		11,399	13,283
Closing stock		(13,126)	(11,399)
		(1,727)	1,884
Cost of goods manufactured		22,630,832	27,155,486
Finished goods			
Opening stock		539,978	855,246
Closing stock		(814,853)	(539,978)
		(274,875)	315,268
		22,355,957	27,470,754

31.1 Salaries, wages and other benefits include following in respect of employees' retirement / other benefits:

	NOTE	2023 Rupees in thousand	2022 Rupees in thousand
Pension Fund	7.2.1.4	68,329	35,111
Gratuity Fund	7.2.2.4	15,383	7,687
Employees' Provident Fund Trust		5,401	7,401
Staff retirement gratuity	7.2.3.3	37,863	32,058
Accumulating compensated absences	7.2.4.3	157	274
		127,133	82,531

31.2 These include ijarah rentals amounting to Rs. 0.56 million (2022: Rs. 0.11 million).

32. DISTRIBUTION COST

	NOTE	2023	2022
Storage tank charges		26,530	30,919
Freight, forwarding and fuel		671,449	854,919
Handling and distribution		1,585	1,431
Commission to selling agents		7,015	8,605
Travelling and conveyance		42,460	50,035
Rent, rates and taxes	32.1	14,436	25,391
Postage and telephone		5,930	7,101
Vehicles' running and maintenance		75,140	65,121
Entertainment		3,735	3,999
Printing and stationery		884	973
Repair and maintenance		4,077	4,264
Salaries and other benefits	32.2	313,984	348,198
Insurance		9,167	6,743
Sales promotion and advertisement	32.3	214,092	620,709
Utilities		3,575	3,465
Depreciation - owned assets	15.1.6	6,774	7,087
Depreciation - right-of-use assets	16.1	5,838	5,329
Others		613	1,734
		1,407,284	2,046,023

32.1 These include ijarah rentals amounting to Rs. 1.43 million (2022: Rs. 11.07 million).

32.2 Salaries and other benefits include following in respect of employees' retirement / other benefits:

	NOTE	2023 Rupees in thousand	2022 Rupees in thousand
Pension Fund	7.2.1.4	628	346
Gratuity Fund	7.2.2.4	142	75
Employees' Provident Fund Trust		223	73
Staff retirement gratuity	7.2.3.3	43,441	35,556
Accumulating compensated absences	7.2.4.3	977	1,782
		45,411	37,832

32.3 Sales promotion and advertisement expenditure is net of marketing support credits allowed by Tetra Pak Pakistan Limited aggregating to Rs. 108 million (2022: Rs. 60 million).

	NOTE	2023	2022
		Rupees in thousand	
33. ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits	33.1	366,489	342,958
Repairs and maintenance		8,677	11,447
Insurance		6,246	5,611
Vehicles' running and maintenance		34,022	25,856
Travelling and conveyance		9,320	10,200
Printing and stationery		2,350	1,770
Electricity and gas		6,880	5,810
Telephone and postage		4,453	5,518
Legal and professional		44,903	36,178
Auditors' remuneration	33.2	5,345	5,090
Rent, rates and taxes	33.3	6,200	13,318
Staff training and development		522	136
Entertainment		7,663	6,315
Fee and subscription		20,259	23,645
Advertisement		326	329
Registered office expenses		937	1,062
Amortization	17	1,145	1,146
Depreciation - owned assets	15.1.6	19,273	20,586
Depreciation - right-of-use assets	16.1	6,188	5,182
Others		2,722	4,374
		553,920	526,531

33.1 Salaries, wages and other benefits include following in respect of employees' retirement / other benefits:

	NOTE	2023	2022
		Rupees in thousand	
Pension Fund	7.2.1.4	31,904	18,449
Gratuity Fund	7.2.2.4	7,183	4,039
Employees' Provident Fund Trust		5,381	3,889
Staff retirement gratuity	7.2.3.3	9,190	5,940
Accumulating compensated absences	7.2.4.3	289	524
		53,947	32,841

		2023	2022
		Rupees in thousand	
33.2	Auditors' remuneration		
	HLB Ijaz Tabussum and Company		
	Audit fee	1,485	-
	Fees for half yearly review, consolidation and other certifications	950	-
	Reimbursable expenses	150	-
		2,585	-
	Riaz Ahmad and Company		
	Audit fee	-	1,485
	Fees for half yearly review, consolidation and other certifications	-	1,085
	Reimbursable expenses	-	210
		-	2,780
	EY Ford Rhodes		
	Audit fee	1,765	1,415
	Review of interim financial statements	325	325
	Group reporting	220	200
	Certifications	150	100
	Reimbursable expenses	300	270
		2,760	2,310
		5,345	5,090

33.3 These include ijarah rentals amounting to Rs. 4.40 million (2022: Rs. 6.58 million).

		NOTE	2023	2022
			Rupees in thousand	
34.	OTHER EXPENSES			
	Workers' profit participation fund	9.1	39,699	3,784
	Workers' welfare fund		20,939	-
	Social action programme expenses including salaries	34.1	8,902	5,910
	Waste water drainage		6,239	8,594
	Allowance for expected credit loss	24.1	5,753	2,588
	Provision for doubtful loans and advances - net	25.2	-	378
	Net exchange loss		87,590	-
	Donations	34.2	35	899
	Agriculture expense - net		1,685	13,683
			170,842	35,836
34.1	Social action programme salaries expenses include following in respect of retirement benefits:			
	Pension Fund	7.2.1.4	878	414
	Gratuity Fund	7.2.2.4	197	91
	Employees' Provident Fund Trust		129	87
			1,204	592

34.2 The directors or their spouses have no interest in the donees.

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

		NOTE	2023	2022
			Rupees in thousand	
35.	OTHER INCOME			
	Income from financial assets			
	Return on bank deposits		8,874	3,800
	Net exchange gain		-	47,432
	Reversal of allowance for expected credit losses	25.2	9	-
			8,883	51,232
	Income from non-financial assets			
	Scrap sales		35,692	26,178
	Gain on sale of property, plant and equipment	15.1.3	5,210	10,300
	Gain on sale of non-current assets held for sale		72,540	25,392
	Sale of biofertilizer		273,360	-
	Insurance claim		3,727	7,083
	Cold store rent - fruit pulp dairy		625	389
	Liabilities no longer payable written back		720	15,307
	Rental income		39,089	26,042
	Amortization of deferred income - Government grant		-	6,833
	Amortization of deferred income - Others	7.1.1	984	1,036
	Others		1,000	3,703
			432,947	122,263
			441,830	173,495

		NOTE	2023	2022
36.	FINANCE COST			
	Mark up / interest on:			
	Long term financing		124,023	108,015
	Lease liabilities	6.1	43,828	59,895
	Short term borrowings		239,241	166,167
	Due to Gratuity Fund and Pension Fund - related parties		57,686	26,285
	Workers' profit participation fund	9.1	23,793	14,681
	Unwinding of discount	10	19,056	29,096
	Loss on de-recognition of musharakah financing		-	31,671
	Bank and other charges		116,596	157,700
	Delayed payment surcharge to Tetra Pak Pakistan Limited		145,685	140,946
			769,908	734,456

		NOTE	2023	2022
37.	TAXATION			
	Charge for the year:			
	Current		227,550	417,880
	Prior year		(201,341)	(249,389)
			26,209	168,491
	Deferred		198,507	(345,385)
			224,716	(176,894)

	2023	2022
38. LOSS PER SHARE - BASIC AND DILUTED		
There is no dilutive effect on basic loss per share which is based on:		
Loss for the year attributable to ordinary shareholders of the Holding Company Rupees in thousand	(521,278)	(211,873)
Weighted average number of ordinary shares of Holding Company (Numbers)	125 000 000	125 000 000
Loss per share (Rupees)	(4.17)	(1.69)

	NOTE	2023	2022
		Rupees in thousand	
39. CASH GENERATED FROM OPERATIONS			
Loss before taxation		(217,205)	(330,429)
Adjustments for non-cash charges and other items:			
Depreciation - owned assets		1,231,566	1,319,785
Depreciation - right-of-use assets		56,528	74,135
Liabilities no longer payable written back		(720)	(15,307)
Gain on sale of property, plant and equipment		(5,210)	(10,300)
Gain on sale of non-current assets held for sale		(72,540)	(25,392)
Fair value adjustment of agricultural assets		1,402	13,351
Unrealized loss on agriculture income		1,315	-
Allowance for expected credit losses		5,753	2,588
Provision for doubtful loans and advances		-	378
Provision for employees' benefits		216,561	142,346
Amortization of deferred income		(984)	(7,869)
Amortization of intangible asset		1,145	1,146
Finance cost		769,908	734,456
Working capital changes	39.1	(727,945)	(167,090)
		1,259,574	1,731,798

39.1 Working capital changes

	2023	2022
(Increase) / decrease in current assets:		
- Stores, spare parts and loose tools	(67,629)	(27,302)
- Stock-in-trade	(868,850)	645,421
- Biological assets	(153)	(11,871)
- Trade debts	3,432	(18,010)
- Loans and advances	65,960	(192,828)
- Deposits, prepayments and other receivables	(774,648)	(735,108)
	(1,641,888)	(339,698)
Increase in trade and other payables	913,943	172,608
	(727,945)	(167,090)

39.2 Reconciliation of movement of liabilities to cash flows arising from financing activities:

Rupees in thousand

	2023					
	Unclaimed dividend	Long term financing	Lease liabilities	Musharakah financing - debt portion	Short term borrowings	Total
Balance as at 01 October	1,916	538,913	615,818	130,396	1,384,899	2,671,942
Lease liabilities recognized	-	-	11,274		-	11,274
Dividend paid	-	-	-		-	-
Short term borrowings availed	-	-	-		516,800	516,800
Long term borrowing availed	-	225,000	-		-	225,000
Repayment of loans	-	(156,413)	-		(876,999)	(1,033,412)
Repayment of lease liabilities	-	-	(230,088)		-	(230,088)
Other charges - non-cash movement	-	-	-	19,056	-	19,056
Balance as at 30 September	1,916	607,500	397,004	149,452	1,024,700	2,180,572

Rupees in thousand

	2022					
	Unclaimed dividend	Long term financing	Lease liabilities	Musharakah financing - debt portion	Short term borrowings	Total
Balance as at 01 October	1,944	1,077,605	781,727	199,097	1,284,194	3,344,567
Lease liabilities recognized	-	-	27,183		-	27,183
Dividend paid	(28)	-	-		-	(28)
Loans availed	-	-	-		-	-
Short term borrowings availed	-	-	-		875,000	875,000
Conversion of musharakah financing	-	(120,000)	-		120,000	-
Repayment of loans	-	(545,525)	-		(894,295)	(1,439,820)
Repayment of lease liabilities	-	-	(193,092)		-	(193,092)
Other charges - non-cash movement	-	126,833	-	(68,701)	-	58,132
Balance as at 30 September	1,916	538,913	615,818	130,396	1,384,899	2,671,942

40. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amount charged in these consolidated financial statements for remuneration including all benefits to Chief Executive Officer, directors and executives of the Holding Company is as follows:

Rupees in thousand

	Chief Executive Officer		Executive Director		Non-Executive Directors		Executives	
	2023	2022	2023	2022	2023	2022	2023	2022
Managerial remuneration	10,621	12,708	7,301	6,000	-	-	76,556	77,217
Allowances								
House rent	4,699	5,719	2,920	2,400	-	-	21,218	22,558
Utilities	1,062	1,271	730	600	-	-	5,305	5,489
Medical	128	-	584	480	-	-	5,144	5,240
Others	200	-	-	-	-	-	1,315	1,449
Contribution to retirement benefits	3,752	4,490	2,579	2,120	-	-	14,578	14,117
Meeting fee	-	-	-	-	540	840	-	-
	20,462	24,188	14,114	11,600	540	840	124,116	126,070
Number of persons	1	1	2	1	8	6	31	28

40.1 The Chief Executive Officer, some directors and some executives of the Holding Company are provided with company maintained car, travel facilities and club membership.

41. PROVIDENT FUND RELATED DISCLOSURE

As at the reporting date, Shakarganj Mills Limited - Employees' Provident Fund Trust is in the process of regularizing its investments in accordance with section 218 of the Companies Act, 2017 and the regulations formulated for this purpose by Securities and Exchange Commission of Pakistan.

42. NUMBER OF EMPLOYEES

	2023	2022
Number of employees as on 30 September	1 375	1 542
Average number of employees during the year	1 517	1 695

43. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, other related parties, key management personnel and post employment benefit plans. The Group in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties along with basis of relationship, other than those which have been specifically disclosed elsewhere in these consolidated financial statements are as follows:

Name of related party	Basis of relationship	Nature of transactions	2023 Rupees in thousand	2022 Rupees in thousand
Associated companies				
Crescent Steel and Allied Products Limited (CSAPL)	Associate due to shareholding by CSAPL in the Holding Company of 21.93% (2022: 21.93%)	Purchase of goods	20	543,566
		Common expenses shared	8,922	14,915
		Sale of goods and rendering of services	4,401	607,549
		Guest house, godown rent and utilities expenses	6,141	4,739
		Stores consumed by CSAPL	-	-
		Stores consumed by the Holding Company	-	899
Premier Insurance Limited	Common directorship	Insurance expense	3,714	7,144
BankIslami Pakistan Limited	Subsidiary's associate	Mark-up expense	146,259	71,084
		Ijarah rentals	-	235
Other related parties				
Begum Balqies Saleem	Mother of retiring CEO	Service charges accrued	-	5,046
Post employment benefit plans	Employees' Provident Fund Trust, Gratuity Fund and Pension Fund	Expense charged in respect of:		
		Employees' Provident Fund Trust	11,134	11,540
		Pension Fund	101,739	54,320
		Gratuity Fund	22,905	11,892
		Other transactions with Gratuity Fund and Pension Fund		
		- Funds received	277,434	254,548
		- Mark-up expense	57,686	26,285

43.1 Detail of compensation to key management personnel of the Holding Company comprising of Chief Executive Officer, directors

43.2 Begum Balqies Saleem passed away last year, therefore, the transaction during the year were not a related party transaction.

			2023	2022
44.	PLANT CAPACITY AND ACTUAL PRODUCTION			
	a) Holding Company			
	Sugar			
	Jhang			
	Rated crushing capacity	(MT / day)	10 000	10 000
	On the basis of 88 days (2022: 145 days)	(MT)	880 000	1 450 000
	Actual sugarcane crushed	(MT)	554 133	713 856
	Bhone			
	Rated crushing capacity	(MT / day)	6 000	6 000
	On the basis of 83 days (2022: 138 days)	(MT)	498 000	828 000
	Actual sugarcane crushed	(MT)	465 047	633 795
	The low crushing was due to low quality sugarcane.			
	Biofuel			
	Jhang			
	Rated production capacity	(Litres / day)	150 000	150 000
	On the basis of average number of 67 days (2022: 106 days) working	(Litres)	10 050 000	15 900 000
	Actual production	(Litres)	3 890 752	9 595 800
	Bhone			
	Rated production capacity	(Litres / day)	200 000	200 000
	On the basis of average number of 66 days (2022: 128 days) working	(Litres)	13 200 000	25 600 000
	Actual production	(Litres)	6 043 039	11 976 825
	Major reason for low production was due to non-availability of raw material at feasible prices.			
	Textile			
	Capacity (converted in 20s counts)	(Kgs)	9 198 418	9 198 418
	Actual production (converted in 20s counts)	(Kgs)	-	
	The textile unit remained closed due to non-availability of raw materials at feasible price.			
	b) Subsidiary Company			
	Dairy division			
	Ultra Heat Treated Packed Milk, Juice and Cream			
	Rated processing capacity on the basis of 353 days (2022: 353)	(Litres)	397 023 120	440 714 520
	Actual milk, juice and cream processed	(Litres)	91 533 210	168 801 740
	Desi Ghee			
	Rated production capacity on the basis of 353 days (2022: 353)	(Kgs)	635 400	635 400
	Actual desi ghee produced	(Kgs)	27 757	73 559
	Juice division			
	Fruit Pulps and Concentrate Juices			
	Rated production capacity on the basis of 17 days (2022: 39)	(Kgs)	414 400	2 227 200
	Actual fruit processed	(Kgs)	143 532	1 037 395

Under utilization of production / processing capacities was due to limited sales orders.

45. SEGMENT INFORMATION

Rupees in thousand

	Sugar		Biofuel		Dairy		Juice		Textile		Farms		Elimination of Inter-segment transactions		Total - Group	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from contracts with customers																
External	7,674,809	9,325,634	1,853,328	2,650,538	14,924,278	17,787,731	144,426	239,762	-	259,872	2,035	46,139	-	-	24,598,876	30,309,676
Inter segment	1,426,279	1,405,227	31,793	71,277	-	-	15,737	133,266	-	-	1,509	8,010	(1,475,318)	(1,617,780)	-	-
	9,101,088	10,730,861	1,885,121	2,721,815	14,924,278	17,787,731	160,163	373,028	-	259,872	3,544	54,149	(1,475,318)	(1,617,780)	24,598,876	30,309,676
Cost of Revenue	(9,492,347)	(10,745,603)	(1,749,491)	(2,204,090)	(12,297,272)	(15,371,653)	(221,535)	(384,410)	(66,885)	(322,939)	(3,745)	(59,839)	1,475,318	1,617,780	(22,355,957)	(27,470,754)
Gross (loss) / profit	(391,259)	(14,742)	135,630	517,725	2,627,006	2,416,078	(61,372)	(11,382)	(66,885)	(63,067)	(201)	(5,690)	-	-	2,242,919	2,838,922
Distribution cost	(16,576)	(16,218)	(88,018)	(166,831)	(1,291,385)	(1,840,053)	(10,156)	(21,776)	(1,149)	(1,145)	-	-	-	-	(1,407,284)	(2,046,023)
Administrative expenses	(299,989)	(265,450)	(62,130)	(67,078)	(153,588)	(148,529)	-	-	(38,169)	(44,701)	(45)	(773)	-	-	(553,920)	(526,531)
(Loss) / profit before taxation and unallocated expenses / income	(707,824)	(296,410)	(14,518)	283,816	1,182,033	427,496	(71,528)	(33,158)	(106,203)	(108,913)	(246)	(6,463)	-	-	281,715	266,368
Unallocated expenses / income:																
Other expenses															(170,842)	(35,836)
Other income															441,830	173,495
Finance cost															(769,908)	(734,456)
Taxation															(224,716)	176,894
Loss after taxation															(441,921)	(153,535)

45.1 Reconciliation of reportable segment assets and liabilities:

Rupees in thousand

	Sugar		Biofuel		Dairy		Juice		Textile		Farms		Total - Group	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Total assets for reportable segments	9,402,480	9,769,166	5,967,349	5,130,872	9,874,443	10,089,642	459,072	605,522	544,922	590,394	661,429	649,536	26,909,695	26,835,132
Unallocated assets													486,770	314,818
Total assets as per consolidated statement of financial position													27,396,465	27,149,950
Total liabilities for reportable segments	5,134,228	5,003,130	1,866,164	1,481,308	6,412,170	6,888,297	342,444	282,866	142,403	211,319	17,402	20,430	13,914,811	13,887,350
Unallocated liabilities													1,625,184	1,115,794
Total liabilities as per consolidated statement of financial position													15,539,995	15,003,144

45.2 Geographical information

Rupees in thousand

	Sugar		Biofuel		Dairy		Juice		Textile		Farms		Total - Group	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
The Group's segment wise revenue from external customers as per geographical locations is detailed below:														
United Kingdom	-	-	384,053		6,070	2,412	39,386	42,973	-	-	-	-	429,509	45,385
Netherlands	-	-	628,829	1,998,553		-	-	19,927	-	-	-	-	628,829	2,018,480
Italy	-	-	-	346,101		-	-	-	-	-	-	-	-	346,101
Taiwan			147,371										147,371	-
Thailand	-	-	18,810	-		-	-	-	-	-	-	-	18,810	-
Saudi Arabia	-	-	14,001	-		-	-	15,044	-	-	-	-	14,001	15,044
Afghanistan	-	-	-	-		29,472	-	-	-	-	-	-	-	29,472
Australia	-	-	-	-	9,911	-	-	-	-	-	-	-	9,911	-
Somalia	-	-	-	-	8,712	5,761	-	-	-	-	-	-	8,712	5,761
Rotterdam	-	-	-	-		-	15,886	-	-	-	-	-	15,886	-
Qatar	-	-	-	-	8,104	1,692	-	-	-	-	-	-	8,104	1,692
Malaysia	-	-	-	-	-	1,546	-	-	-	-	-	-	-	1,546
United Arab Emirates	-	-	-	-	-	2,719	-	-	-	-	-	-	-	2,719
France	-	-	-	-	-	21,392	-	-	-	-	-	-	-	21,392
United States Of America	-	-	-	-	33,214	4,758	-	-	-	-	-	-	33,214	4,758
Gabon	-	-	-	-	5,706	-	-	-	-	-	-	-	5,706	-
Reunion Island	-	-	-	-	7,933	-	-	-	-	-	-	-	7,933	-
Yemen	-	-	-	-	12,874	-	-	-	-	-	-	-	12,874	-
Comoros	-	-	-	-	8,473	-	-	-	-	-	-	-	8,473	-
Mauritius	-	-	-	-	2,757	-	-	-	-	-	-	-	2,757	-
Warsame-Somalia	-	-	-	-	23,018	-	-	-	-	-	-	-	23,018	-
Guinea	-	-	-	-	2,280	-	-	-	-	-	-	-	2,280	-
Portugal	-	-	-	-	3,253	-	-	-	-	-	-	-	3,253	-
Maldives	-	-	-	-	14,187	-	-	-	-	-	-	-	14,187	-
Senegal	-	-	-	-	2,614	-	-	-	-	-	-	-	2,614	-
Ningbo-China	-	-	-	-	12,408	-	-	-	-	-	-	-	12,408	-
Sweden	-	-	-	-	3,258	-	-	-	-	-	-	-	3,258	-
Greece	-	-	-	-	3,307	-	-	-	-	-	-	-	3,307	-
Pakistan	7,674,809	9,325,634	660,264	305,884	14,756,199	17,717,979	89,154	161,818	-	259,872	2,035	46,139	23,182,461	27,817,326
	7,674,809	9,325,634	1,853,328	2,650,538	14,924,278	17,787,731	144,426	239,762	-	259,872	2,035	46,139	24,598,876	30,309,676

45.3 The Group's revenue from external customers in respect of products is detailed below:

	Sugar 2023	Sugar 2022	Biofuel 2023	Biofuel 2022	Dairy 2023	Dairy 2022	Juice 2023	Juice 2022	Textile 2023	Textile 2022	Farms 2023	Farms 2022	Total - Group 2023	Total - Group 2022
Sugar	7,554,725	8,623,752	-	-	-	-	-	-	-	-	-	-	7,554,725	8,623,752
By-products	120,084	701,882	444,559	5,199	-	-	-	-	-	-	-	-	564,643	707,081
Biofuel	-	-	1,408,769	2,645,339	-	-	-	-	-	-	-	-	1,408,769	2,645,339
Dairy	-	-	-	-	14,924,278	17,787,731	-	-	-	-	-	-	14,924,278	17,787,731
Yarn and polyester	-	-	-	-	-	-	-	-	-	259,665	-	-	-	259,665
Juice	-	-	-	-	-	-	144,426	239,762	-	-	-	-	144,426	239,762
Farm	-	-	-	-	-	-	-	-	-	-	2,035	46,139	2,035	46,139
Waste	-	-	-	-	-	-	-	-	-	207	-	-	-	207
	7,674,809	9,325,634	1,853,328	2,650,538	14,924,278	17,787,731	144,426	239,762	-	259,872	2,035	46,139	24,598,876	30,309,676

45.4 All non-current assets of the Group as at reporting dates are located and operating in Pakistan.

45.5 The Group's revenue is earned from a large mix of customers.

46. INTERESTS IN OTHER ENTITY

Non-Controlling Interest (NCI)

Set out below is summarized financial information for Shakarganj Food Products Limited - Subsidiary Company that has non-controlling interest to the Group. The amounts disclosed for Subsidiary Company are before inter-company eliminations.

	2023	2022
	Rupees in thousand	
Summarized statement of financial position		
Current assets	4,403,268	3,133,236
Current liabilities	(5,758,846)	(5,999,913)
Net current liabilities	(1,355,578)	(2,866,677)
Non-current assets	5,932,216	7,571,558
Non-current liabilities	(1,023,710)	(1,197,153)
Net non-current assets	4,908,506	6,374,405
Net assets	3,552,928	3,507,728
Accumulated non-controlling interest	1,691,548	1,670,029
Summarized statement of comprehensive income		
Revenue	15,068,704	18,027,493
Profit for the year	166,682	122,534
Other comprehensive income / (loss)	(121,482)	246,083
Total comprehensive income	45,200	368,617
Profit allocated to non-controlling interest	79,357	58,338
Total comprehensive income attributable to non-controlling	21,520	175,499
Summarized cash flows		
Cash flows from operating activities	(93,700)	122,091
Cash flows from / (used in) investing activities	559,725	24,936
Cash flows used in financing activities	(345,088)	(382,387)
Net decrease / (increase) in cash and cash equivalents	120,937	(235,360)

47. FINANCIAL RISK MANAGEMENT

47.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Board of Directors of the Holding Company and Subsidiary Company have overall responsibility for the establishment and oversight of each Company's risk management framework. The Board of each Company is also responsible for developing and monitoring each Company's risk management policies.

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group's exposure to currency risk was as follows:

	2023	2022
Trade receivables - USD	11,242	73,476
Trade payables - USD	(179,990)	-
Cash and bank balances - USD	14,291	-
	(154,457)	73,476
Following significant exchange rates were applied during the year:		
Rupees per US Dollar		
Average rate	288.60	199.95
Reporting date rate	304.87	229.45

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD with all other variables held constant, the impact on loss after taxation for the year would have been Rs. 2.23 million (2022: Rs. 0.84 million) lower / higher mainly as a result of exchange gains / losses on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis.

(ii) Other price risk

Other price risk represents 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), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Group is not exposed to commodity price risk.

Sensitivity analysis

The table below summarizes the impact of increase / decrease in the Pakistan Stock Exchange Limited (PSX) Index on the Group's equity (fair value reserve of FVTOCI investments). The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables of FVTOCI instruments held constant and all the Group's equity instruments moved according to the historical correlation with the index:

Index	Impact on statement of other comprehensive income (fair value reserve)	
	2023	2022
	Rupees in thousand	
PSX 100 (5% increase)	229	339
PSX 100 (5% decrease)	(229)	(339)

Equity (fair value reserve) would increase / decrease as a result of gains / losses on equity investments classified as FVTOCI.

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's interest rate risk arises from long term financing, lease liabilities, short term borrowings, term deposit receipt and deposits in saving accounts. Financial instruments at variable rates expose the Group to cash flow interest rate risk. Financial instruments at fixed rate expose the Group to fair value interest rate risk.

At the reporting date, the interest rate profile of the Group's interest bearing financial

	2023	2022
	Rupees in thousand	
Fixed rate instruments		
Financial assets		
Term deposit receipt	-	55,000
Financial liabilities		
Long term financing	225,000	41,413
Lease liabilities	397,004	615,818
Floating rate instruments		
Financial assets		
Bank balances - saving accounts	4,946	2,736
Financial liabilities		
Long term financing	382,500	497,500
Short term borrowings	1,024,700	1,384,899
Musharakah financing	149,452	130,396

Fair value sensitivity for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the year end date, fluctuates by 1% higher / lower with all other variables held constant, loss after taxation for the year would have been Rs. 18.80 million (2022: Rs. 21.03 million) higher / lower mainly as a result of higher / lower interest expense / income on floating rate financial instruments. This analysis is prepared assuming the amounts of financial instruments outstanding at reporting dates were outstanding for the whole year.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2023	2022
	Rupees in thousand	
Investments	4,579	61,777
Trade debts	187,750	196,935
Loans and advances	55,020	39,403
Deposits	120,264	125,569
Other receivables	21,264	18,971
Bank balances	131,588	72,284
	520,465	514,939

To manage exposure to credit risk in respect of trade debts, management performs credit reviews taking into account the customer’s financial position, past experience and other factors. Sales contracts and credit terms are approved by the senior management and where considered necessary, advance payments are obtained from certain parties. The management has set a maximum credit period limit for each type of customers in order to reduce the credit risk.

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade debts. Management uses actual historical credit loss experience, credit risk characteristics and past days due, adjusted for forward-looking factors specific to the debtors and the economic environment to determine expected credit loss allowance.

The Group's exposure to credit risk and allowance for expected credit losses related to trade debts is disclosed in Note 24.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate.

The credit quality of Group's bank balances can be assessed with reference to external credit ratings as follows:

	Rating			2023	2022
	Short term	Long term	Agency	Rupees in thousand	
Bank accounts / term deposit receipt					
Allied Bank Limited	A1+	AAA	PACRA	33	3
Bank Alfalah Limited	A1+	AA+	PACRA	808	4,201
Habib Bank Limited	A-1+	AAA	VIS	25,214	7,007
MCB Bank Limited	A1+	AAA	PACRA	81,395	33,312
National Bank of Pakistan	A-1+	AAA	VIS	355	385
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	29	29
Askari Bank Limited	A1+	AA+	PACRA	3	13
The Bank of Punjab	A1+	AA+	PACRA	-	-
United Bank Limited	A-1+	AAA	VIS	10,951	58,399
Banks					
BankIslami Pakistan Limited	A1	AA-	PACRA	6,035	12,862
Dubai Islamic Bank Pakistan Limited	A-1+	AA	VIS	195	232
Meezan Bank Limited	A-1+	AAA	VIS	5,263	8,651
Silkbank Limited	A-2	A-	VIS	927	927
The Bank of Khyber	A1	A+	PACRA	341	343
MCB Islamic Bank Limited	A1	A	PACRA	-	920
				131,549	127,284

Due to the Group's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Group. Accordingly, the credit risk is minimal.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Group manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At 30 September 2023, the Group had Rs. 672.50 million (2022: Rs. 1,053.50 million) available borrowing limits from financial institutions and Rupees 133.62 million (2022: Rupees 77.60 million) cash and bank balances. Management believes the liquidity risk to be low. Followings are the contractual maturities of financial liabilities, including interest payments. The amounts disclosed in the tables are undiscounted cash flows.

Contractual maturities of financial liabilities as at 30 September 2023:

	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	More than one year
					Rupees in thousand
Non-derivative financial liabilities:					
Long term financing	607,500	787,934	188,860	202,096	396,978
Lease liabilities	397,004	438,208	132,668	121,788	183,752
Trade and other payables	5,536,443	5,536,443	5,536,443	-	-
Unclaimed dividend	1,916	1,916	1,916	-	-
Musharakah financing	149,452	228,555			228,555
Accrued mark-up	167,160	167,160	167,160	-	-
Short term borrowings	1,024,700	1,024,700	1,024,700	-	-
	7,884,175	8,184,916	7,051,747	323,884	809,285

	Rupees in thousand				
	Carrying Amount	Contractual cash flows	6 months or less	6-12 months	More than one year
Contractual maturities of financial liabilities as at 30 September 2022:					
Non-derivative financial liabilities:					
Long term financing	538,913	654,819	138,922	97,500	418,397
Lease liabilities	615,818	701,624	178,603	163,955	359,066
Trade and other payables	4,575,859	4,575,859	4,575,859	-	-
Unclaimed dividend	1,916	1,916	1,916	-	-
Musharakah financing	130,396	239,103			239,103
Accrued mark-up	128,048	128,048	128,048	-	-
Short term borrowings	1,384,899	1,403,506	1,403,506	-	-
	7,375,849	7,704,875	6,426,854	261,455	1,016,566

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark-up rates effective as at 30 September. The rates of interest / mark-up have been disclosed in Note 5, Note 6 and Note 11 to these consolidated financial statements.

Carrying amount of long term financing as at 30 September 2023 includes overdue installments of principal amounting to Nil (2022: Rs. 41.41 million).

47.2 Financial instruments by categories

	Rupees in thousand					
	2023			2022		
	At amortized cost	At FVTOCI	Total	At amortized cost	At FVTOCI	Total
Assets as per consolidated statement of financial position						
Investments	-	4,579	4,579	55,000	6,777	61,777
Loans and advances	55,020	-	55,020	39,403	-	39,403
Deposits	120,264	-	120,264	125,569	-	125,569
Other receivables	21,264	-	21,264	18,971	-	18,971
Trade debts	187,750	-	187,750	196,935	-	196,935
Cash and bank balances	133,620	-	133,620	77,600	-	77,600
	517,918	4,579	522,497	513,478	6,777	520,255

	Rupees in thousand	
	2023	2022
	At amortized cost	
Liabilities as per consolidated statement of financial position		
Long term financing	607,500	538,913
Lease liabilities	397,004	615,818
Musharakah financing	149,452	130,396
Short term borrowings	1,024,700	1,384,899
Trade and other payables	5,536,443	4,575,859
Accrued mark-up	167,160	128,048
Unclaimed dividend	1,916	1,916
	7,884,175	7,375,849

47.3 Reconciliation of financial assets and financial liabilities to the line items presented in the consolidated statement of financial position is as follows:

Rupees in thousand

	2023			2022		
	Financial assets	Other than financial assets	Total	Financial assets	Other than financial assets	Total
Assets as per consolidated statement of financial position						
Investments	4,579	-	4,579	61,777	-	61,777
Loans and advances	55,020	204,934	259,954	39,403	284,280	323,683
Deposits	120,264	-	120,264	125,569	-	125,569
Prepayments and other receivables	21,264	2,082,747	2,104,011	18,971	1,307,105	1,326,076
Trade debts	187,750	-	187,750	196,935	-	196,935
Cash and bank balances	133,620	-	133,620	77,600	-	77,600
	522,497	2,287,681	2,810,178	520,255	1,591,385	2,111,640

Rupees in thousand

	2023			2022		
	Financial liabilities	Other than financial liabilities	Total	Financial liabilities	Other than financial liabilities	Total
Liabilities as per consolidated statement of financial position						
Long term financing	607,500	-	607,500	538,913	-	538,913
Lease liabilities	397,004	-	397,004	615,818	-	615,818
Musharakah financing	149,452	-	149,452	130,396	-	130,396
Short term borrowings	1,024,700	-	1,024,700	1,384,899	-	1,384,899
Trade and other payables	5,536,443	3,786,776	9,323,219	4,575,859	3,815,344	8,391,203
Accrued mark-up	167,160	-	167,160	128,048	-	128,048
Unclaimed dividend	1,916	-	1,916	1,916	-	1,916
	7,884,175	3,786,776	11,670,951	7,375,849	3,815,344	11,191,193

47.4 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends to be paid to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry and the requirements of the lenders, the Group monitors the capital structure on the basis of gearing ratio. This ratio is calculated as borrowings divided by total capital employed. Borrowings represent long term financing and short term borrowings obtained by the Group as referred in Note 5 and 11 respectively. Total capital employed includes 'total equity' as shown in the consolidated statement of financial position plus 'borrowings'.

		2023	2022
Borrowings	Rupees in thousand	2,036,108	2,342,019
Total equity	Rupees in thousand	11,856,470	12,146,806
Total capital employed	Rupees in thousand	13,892,578	14,488,825
Gearing ratio	Percentage	14.66	16.16

48. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into following three levels. An explanation of each level follows underneath the table:

Recurring fair value measurements	Level 1	Level 2	Level 3	Total
	--------------------------Rupees in thousand		------------------------	
Financial assets				
At 30 September 2023				
At fair value through other comprehensive income	4,579	-	-	4,579
At 30 September 2022				
At fair value through other comprehensive income	6,777	-	-	6,777

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to the short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer out of level 3 measurements.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation technique used to determine fair values

Specific valuation technique used to value financial instruments include the use of quoted market prices for listed securities

49. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS

(i) Fair value hierarchy

The judgements and estimates are made for the non-financial assets that are recognized and measured at fair value in these consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its non-financial assets into the following three levels.

Rupees in thousand

	Level 1	Level 2	Level 3	Total
At 30 September 2023				
Recurring fair value measurements				
Property, plant and equipment				
Freehold land	-	3,070,816	-	3,070,816
Building	-	1,220,492	554,915	1,775,407
Plant and machinery	-	10,105,093	4,398,989	14,504,082
Right-of-use assets - Plant and machinery	-	-	545,840	545,840
Biological assets	-	28,889	1,632	30,521
Total non-financial assets	-	14,425,290	5,501,376	19,926,666

Rupees in thousand

	Level 1	Level 2	Level 3	Total
At 30 September 2022				
Recurring fair value measurements				
Property, plant and equipment				
Freehold land	-	3,070,816	-	3,070,816
Building	-	1,319,488	582,394	1,901,882
Plant and machinery	-	10,826,396	5,083,182	15,909,578
Right-of-use assets - Plant and machinery	-	-	1,265,316	1,265,316
Biological assets	-	30,204	2,881	33,085
Total non-financial assets	-	15,246,904	6,933,773	22,180,677

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further, there was no transfer in and out of level 3 measurements.

(ii) Valuation techniques used to determine level 2 fair values

The Group obtains independent valuation for its freehold land, building, plant and machinery at least after every three years. The management updates the assessment of the fair value of property, plant and equipment taking into account the most recent independent valuation. The management determines the value of these assets within a range of reasonable fair value estimates. The best evidence of fair value of land is current prices in an active market for similar lands. The best evidence of fair value of building is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the new construction / replacement value of the same building. The best evidence of fair value of plant and machinery is to calculate fair depreciated market value by applying an appropriate annual rate of depreciation on the value of new plant and machinery of the same specifications. The fair value of standing crops is based on the support price fixed by the Government and other factors such as estimated crop yield and area under cultivation. The fair value of livestock is estimated on the basis of market prices of livestock of similar age, breed and genetic merit.

Valuation processes

The Group engages external, independent and qualified valuers to determine the fair value of the Group's freehold land, building, plant and machinery after three years. The fair value of these assets has been determined by independent valuers Messrs Hamid Mukhtar and Company (Private) Limited and Messrs Surval on 30 September 2021 and on 30 September 2022 respectively. The fair value of biological assets are determined by the related experts keeping in view the current market conditions and other salient factors.

50. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

51. DATE OF AUTHORIZATION

These consolidated financial statements were authorized for issue on 06 February 2024 by the Board of

52. GENERAL

Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

Chief Executive Officer	Director	Chief Financial Officer

PATTERN OF SHAREHOLDING

Form - 34

The Companies ACT, 2017
The Companies (General Provisions and Forms) Regulations, 2018[Section 227(2)(f)]
Pattern of Shareholding

PART -I

1.1 Name of The Company — Shakarganj Limited

PART -II

2.1 Pattern of Holding of the Shares held by the Shareholders as at : 30 September 2023

2.2

No. of Shareholders	Shareholding From	Shareholding To	Total Shares Held
443	1	100	12,138
308	101	500	93,412
170	501	1,000	129,001
260	1,001	5,000	566,340
61	5,001	10,000	426,852
14	10,001	15,000	163,514
8	15,001	20,000	139,064
7	20,001	25,000	159,208
7	25,001	30,000	189,680
6	30,001	35,000	201,790
5	35,001	40,000	190,585
2	40,001	45,000	83,430
5	45,001	50,000	235,849
2	50,001	55,000	106,045
2	55,001	60,000	117,420
1	60,001	65,000	61,779
6	65,001	70,000	405,280
8	70,001	75,000	587,105
1	75,001	80,000	76,252
2	85,001	90,000	176,363
1	95,001	100,000	95,146
1	100,001	105,000	100,872
3	105,001	110,000	326,279
2	110,001	115,000	229,969
1	115,001	120,000	115,967
1	120,001	125,000	120,861
1	130,001	135,000	133,178
1	140,001	145,000	142,017
1	150,001	155,000	150,933
1	160,001	165,000	164,772
1	185,001	190,000	189,501

No. of Shareholders	Shareholding		Total Shares Held
	From	To	
1	195,001	200,000	200,000
1	220,001	225,000	223,140
1	250,001	255,000	252,552
1	260,001	265,000	263,700
1	280,001	285,000	282,000
1	295,001	300,000	297,727
1	320,001	325,000	320,454
2	395,001	400,000	800,000
1	475,001	480,000	475,500
1	645,001	650,000	650,000
1	655,001	660,000	657,754
1	740,001	745,000	743,980
1	770,001	775,000	772,727
1	785,001	790,000	788,611
1	820,001	825,000	825,000
1	915,001	920,000	916,582
1	1,010,001	1,015,000	1,014,000
1	1,140,001	1,145,000	1,143,693
1	1,190,001	1,195,000	1,192,500
1	1,240,001	1,245,000	1,241,600
1	1,375,001	1,380,000	1,375,427
1	1,565,001	1,570,000	1,568,000
1	1,895,001	1,900,000	1,896,254
1	2,035,001	2,040,000	2,035,600
1	4,170,001	4,175,000	4,175,000
1	5,090,001	5,095,000	5,090,908
1	5,305,001	5,310,000	5,306,818
1	5,955,001	5,960,000	5,955,137
1	7,050,001	7,055,000	7,051,136
1	7,600,001	7,605,000	7,602,272
1	9,015,001	9,020,000	9,019,690
1	9,610,001	9,615,000	9,611,221
1	17,950,001	17,955,000	17,951,340
1	27,405,001	27,410,000	27,409,075
1,379			125,000,000

2.3	Categories of Shareholder	Share held	Percentage
2.3.1	Directors, CEO, Their Spouse and Minor Children	623,123	0.50
2.3.2	Associated Companies, Undertakings & Related Parties	37,411,232	29.93
2.3.3	NIT & ICP	5,955,137	4.76
2.3.4	Banks, DFIs, NBFCs	106,854	0.09
2.3.5	Insurance Companies	5008	0.00
2.3.6	Modarabas and Mutual Funds	453	0.00
2.3.8	A. General Public (Local)	33,264,821	26.61
2.3.9	A. Other Companies (Local)	47,633,156	38.11
2.3.9	B. Other Companies (Foreigner)	216	0.00
		125,000,000	100.00

Shareholders More Than 10.00%

CRESCENT STEEL AND ALLIED PRODUCTS LTD.	27,409,075	21.93
MASOOD FABRICS LTD	17,951,340	14.36

NOTICE OF 56TH
ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting ("AGM") of the shareholders of Shakarganj Limited (the "Company") will be held on Tuesday 27 February 2024 at 11:30 a.m. at the E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg-III, Lahore and through video link to transact the following ordinary business:

1. To receive, consider and adopt the Chairman's Review Report, the Reports of Directors and Auditors together with Audited Annual Separate and Consolidated Financial Statements of Shakarganj Limited for the year ended 30 September 2023.

2. To appoint Company's auditors and to fix their remuneration. The members are hereby notified that the Audit Committee and the Board of Directors have recommended the name of M/s. Kreston Hyder Bhimji & Co. Chartered Accountants for appointment as auditors of the Company.

BY ORDER OF THE BOARD

Asif Ali
Company Secretary

Lahore: 06 February 2024

Notes:

1. Venue and participation by video Link:

In view of the requirements of the Securities and Exchange Commission of Pakistan, the following arrangement have been made by the Company for participation of shareholders in the AGM:

(a) The venue of the meeting for shareholders who wish to attend the AGM physically will be E-Floor, IT Tower, 73-E/1, Hali Road, Gulberg-III, Lahore;

(b) To attend the meeting through video link, members and their proxies are requested to register themselves by providing the following information along with valid copy of Computerized National Identity Card (both sides)/passport, attested copy of board resolution / power of attorney (in case of corporate shareholders) through email at asif.malik@shakarganj.pk by 24 February 2024.

Name of member	CNIC No.	CDC Account No/Folio No.	Cell Number	Email address

The members who are registered after the necessary verification shall be provided a video link by the Company on the same email address that they email with the Company with.

2. Book Closure and Proxies:

The Share Transfer Books of the Company will remain closed from 21 February 2024 to 27 February 2024 (both days inclusive). Physical transfers received in order at the office of our Share Registrar, M/s CorpTec Associates (Pvt) Limited, 503-E, Johar Town, Lahore by the close of business on 20 February 2024, will be treated in time for the entitlement to attend, speak and vote at the AGM.

(a) A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend and vote instead of him/her and a proxy so appointed shall have the same rights, as respects attending, speaking and voting at the AGM as are available to the members. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.

(b) The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarial attested copy of the power of attorney must be deposited at the Registered Office of the Company at least 48 hours before the time of the meeting. Proxy Forms, in English and Urdu languages, have been dispatched to the members along with the notice of AGM.

3. e-Payment of Dividend:

The provisions of Section 242 of the Companies Act, 2017 require the listed companies that any dividend payable in cash shall only be paid through electronic mode directly into the bank account of designated by the entitled shareholders. Accordingly, the shareholders holding physical shares are requested to provide the Company's Share Registrar at the address given herein above, electronic dividend mandate on E-Dividend Form provided in the annual report and also available on website of the Company. In the case of shares held in CDC, the same information should be provided to the CDS participants for updating and forwarding to the Company. In case of non-submission, all future dividend payments may be withheld.

4. Zakat Declarations:

The members of the Company are required to submit Declaration for Zakat exemption in terms of Zakat and Ushr Ordinance, 1980.

5. Circulation of Financial Statements:

The shareholders who wish to receive hard copy of the Annual Report may send to the Company Secretary / Share Registrar, the Standard Request Form provided in the annual report and also available on the website of the Company and the Company will supply hard copies of the aforesaid document to the shareholders on demand, free of cost, within one week of such demand. The shareholders who intend to receive the annual report including the notice of meeting through e-mail are requested to provide their written consent on the Standard Request Form provided in the annual report and also available on the Company's website: www.shakarganj.pk.

6. Unclaimed Dividend / Shares:

Shareholders, who by any reason, could not claim their dividend or bonus shares or did not collect their physical shares, if any, are advised to contact our Share Registrar M/s. Corptec Associates

(Private) Limited, 503-E, Johar Town, Lahore, to collect/enquire about their unclaimed dividend / shares, if any.

7. Placement of Financial Statements:

The Company has placed a copy of the Notice of AGM, Annual Separate and Consolidated Financial Statements for the year ended 30 September 2023 along with Auditors and Directors Reports thereon and Chairman's Review on the website of the Company: www.shakarganj.pk

8. Deposit of Physical Shares in to CDC Accounts:

As per Section 72 of the Companies Act, 2017, every existing company shall replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Securities and Exchange Commission of Pakistan, within a period not exceeding four years from the commencement of the Companies Act, 2017 i.e. May 31, 2017. The shareholder holding shares in physical form are requested to please convert their shares in the book entry form. For this purpose, the shareholders may open CDC sub-account with any of the brokers or investor's account directly with the CDC to place their physical shares into scrip-less form. This will facilitate them in many ways including safe custody and sale of shares, anytime they want as the trading of physical shares is not permitted as per existing Regulations of the Pakistan Stock Exchange Limited. It also reduces the risks and costs associated with storing share certificate(s) and replacing lost or stolen certificate(s) as well as fraudulent transfer of shares. For the procedure of conversion of physical shares into book-entry form, you may approach our Share Registrar at the contact information given above.

3۔ ڈیویڈینڈ کی ای پیمنٹ

کمپنیز ایکٹ 2017ء کی دفعہ 242 کی پروویژنز کے مطابق فہرستی کمپنیوں کیلئے ضروری ہے کہ کوئی منافع منقسمہ قابل ادا صورت میں فقط الیکٹرونک موڈ کے ذریعے براہِ راست مستحق حصص داران کی طرف سے منسوب بینک اکاؤنٹ میں کیا جائیگا۔ اس کے مطابق مادی حصص کے مالک حصص داران سے درخواست ہے درج بالا پتہ پر کمپنی کے شیئر رجسٹرار کو سالانہ رپورٹ میں مہیا شدہ اور کمپنی کی ویب سائٹ پر بھی دستیاب ای ڈیویڈینڈ فارم پر الیکٹرونک ڈیویڈینڈ مینڈیٹ فراہم کریں۔ سی ڈی سی میں حصص رکھنے کی صورت میں، یہ معلومات اپ ڈیٹنگ اور کمپنی کو ارسال کرنے کیلئے سی ڈی ایس پارٹیسپنٹس کو مہیا کی جانی چاہئیں۔ جمع نہ کروانے کی صورت میں، آئندہ کے تمام منافع کی ادائیگی روکی جاسکتی ہے۔

4۔ زکوٰۃ ڈیکلیر

کمپنی کے ارکان کو زکوٰۃ اینڈ آرڈیننس 1980 کی شرائط میں زکوٰۃ ایگزیمپشن کے لئے کمپنی کے ہاں ڈیکلیریشن جمع کرانا ضروری ہے۔

5۔ مالی حسابات کی ترسیل

حصص داران جو مذکورہ بالا دستاویزات کی ہارڈ کاپیاں وصول کرنا چاہتے ہوں کمپنی سیکرٹری/شیئر رجسٹرار کو سالانہ رپورٹ میں مہیا شدہ اور کمپنی کی ویب سائٹ پر بھی دستیاب معیاری درخواست فارم ارسال کریں اور کمپنی حصص داران کو اس مطالبہ پر مذکورہ بالا دستاویزات ایک ہفتہ کے اندر مفت مہیا کرے گی۔ حصص داران جو سالانہ رپورٹ بشمول اجلاس کے نوٹسز بذریعہ ای میل بھی وصول کرنا چاہتے ہوں سے درخواست ہے کہ سالانہ رپورٹ میں مہیا شدہ اور کمپنی کی ویب سائٹ www.shakarganj.pk پر بھی دستیاب سٹینڈرڈ درخواست فارم پر اپنی تحریری رضامندی فراہم کریں۔

6۔ ان کلیم ڈیویڈنڈ / شیئرز

حصص داران کے ان کلیم ڈیویڈنڈز، جو کسی وجہ سے اپنے ڈیویڈنڈ یا بونس شیئرز کلیم نہیں کر سکے یا اپنے مادی حصص حاصل نہیں کر سکے تھے، اگر کوئی ہوں، سے التماس ہے کہ ہمارے شیئر رجسٹرار میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، 503-E، جوہر ٹاؤن لاہور سے اپنے ان کلیم ڈیویڈنڈ، اگر کوئی ہوں، کے بارے دریافت/حاصل کرنے کے لئے رابطہ کریں۔

7۔ مالی حسابات کی پلیسمنٹ

کمپنی 30 ستمبر 2023ء کو ختم ہوئے سال کیلئے نظر ثانی شدہ جداگانہ اور مربوط سالانہ مالی حسابات معہ ان پر آڈیٹران اور ڈائریکٹران کی رپورٹس اور چیئرمین کی جائزہ رپورٹ اپنی ویب سائٹ www.shakarganj.pk پر رکھ چکی ہے۔

8۔CDC اکاؤنٹس میں فزیکل شیئرز جمع کروانا

کمپنیز ایکٹ، 2017 کے سیکشن 72 کے مطابق، ہر موجودہ کمپنی اپنے فزیکل شیئرز کو بک انٹری فارم کے ساتھ تبدیل کرے گی جیسا کہ بیان کیا گیا ہے اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے مطلع کردہ تاریخ سے، ایک مدت کے اندر کمپنیز ایکٹ، 2017 کے آغاز سے چار سال یعنی 31 مئی 2017۔ فزیکل شکل میں حصص رکھنے والے شیئر ہولڈر سے درخواست کی جاتی ہے کہ براہ کرم اپنے حصص کو بک انٹری فارم میں تبدیل کریں۔ اس مقصد کے لیے، شیئر ہولڈرز کسی بھی بروکر کے ساتھ اپنا ذیلی اکاؤنٹ کھول سکتے ہیں یا سی ڈی سی کے ساتھ سرمایہ کارانہ اکاؤنٹ براہ راست کھول سکتے ہیں تاکہ اپنے فزیکل شیئرز کو اسکرپ لیس فارم میں رکھ سکیں۔ یہ انہیں کئی طریقوں سے سہولت فراہم کرے گا جس میں حصص کی محفوظ تحویل اور فروخت بھی شامل ہے، جب وہ چاہیں، کیونکہ پاکستان اسٹاک ایکسچینج لمیٹڈ کے موجودہ ضوابط کے مطابق فزیکل شیئرز کی تجارت کی اجازت نہیں ہے۔ یہ شیئر سٹیفکیٹ (سرٹیفکیٹس) کو ذخیرہ کرنے اور گمشدہ یا چوری شدہ سٹیفکیٹ کو تبدیل کرنے کے ساتھ ساتھ حصص کی دھوکہ دہی سے منتقلی سے وابستہ خطرات اور اخراجات کو بھی کم کرتا ہے۔ فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنے کے طریقہ کار کے لیے، آپ اوپر دی گئی رابطہ معلومات پر ہمارے شیئر رجسٹرار سے رجوع کر سکتے ہیں۔

اطلاع 56واں سالانہ اجلاس عام

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ شکر گنج لمیٹڈ (کمپنی) کا 56 واں سالانہ اجلاس ایگزیکٹوفلور، آئی ٹی ٹاور 1 E 73، حالی روڈ، گلبرگ III، لاہور پر اور ویڈیو لنک کے ذریعے 27 فروری 2024ء بروز منگل صبح 11:30 بجے درج ذیل عمومی امور کی انجام دہی کیلئے منعقد ہوگا۔

1۔ 30 ستمبر 2023ء کو ختم ہوئے سال کیلئے کمپنی کے نظر ثانی شدہ جداگانہ اور مربوط سالانہ مالی حسابات معہ ان پر ڈائریکٹرز اور آڈیٹرز کی رپورٹس، چیئرمین کی جائزہ رپورٹ کی وصولی، غور وخوض اور منظور کرنا۔

2۔ کمپنی کے آڈیٹرز کا تقرر اور ان کے صلہ خدمت کا تعین کرنا۔ ارکان کو بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے میسرز کریسٹن حیدر بھیم جی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو کمپنی کے آڈیٹرز کی حیثیت سے مقرر کرنے کی سفارش کی ہے۔

لاہور	بحکم بورڈ
مورخہ: 06 فروری 2024ء	آصف علی
	کمپنی سیکرٹری

نوٹس

1۔ ویڈیو لنک کے ذریعے مقام اور شمولیت

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی ضروریات کے پیش نظر، کمپنی کی جانب سے AGM میں شیئر ہولڈرز کی شرکت کے لیے درج ذیل انتظامات کیے گئے ہیں:

a) جو حصص داران جسمانی طور پر AGM میں شرکت کرنے کی خواہش رکھتے ھوں ان کے لیے میٹنگ کا مقام ایگزیکٹوفلور، آئی ٹی ٹاور 1 E 73، حالی روڈ، گلبرگ III، لاہور ہوگا۔

b) ویڈیو لنک کے ذریعے اجلاس میں شرکت کے لئے، ممبران اور ان کے پراکسیز سے درخواست ہے کہ وہ 24 فروری 2024 تک asif.malik@shakarganj.pk پر ای میل کے ذریعے اپنے کمپیوٹرائزڈ قومی شناختی کارڈ (دونوں اطراف) / پاسپورٹ، بورڈ ریزولوشن/ پاور آف اٹارنی کی تصدیق شدہ کاپی (کارپوریٹ شیئر ہولڈرز کی صورت میں) کے ساتھ مندرجہ ذیل معلومات فراہم کر کے اپنا اندراج کریں۔

ممبر کا نام	شناختی کارڈ نمبر	CDC اکاؤنٹ نمبر/فولیو نمبر	موبائل نمبر	ای میل ایڈریس

ضروری تصدیق کے بعد رجسٹرڈ ہوئے ممبروں کو کمپنی کے ذریعہ اسی ای میل ایڈریس پر ایک ویڈیو لنک فراہم کیا جائے گا جس کے ساتھ وہ کمپنی کو ای میل کرتے ہیں۔

2۔ کتابوں کی بندش اور پراکسیز

کمپنی کی حصص منتقلی کتابیں 21 فروری 2024ء تا 27 فروری 2024ء (بشمول ہر دو ایام) بند رہیں گی۔ کمپنی کے شیئر رجسٹرار دفتر میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ E-503 جوہر ٹاؤن لاہور پر 20 فروری 2024ء کو کاروبار کے اختتام تک موصولہ فزیکل منتقلیاں اجلاس عام (AGM) میں شرکت کے استحقاق بولنے اور ووٹ دینے کے حق کیلئے بروقت تصور ہونگی۔

a) اس میٹنگ میں شرکت کرنے اور ووٹ دینے کا حقدار ممبر اپنی جگہ کسی دوسرے ممبر کو شرکت کرنے اور ووٹ دینے کے لیے اپنا پراکسی مقرر کر سکتا ہے اور اس طرح AGM میں مقرر کردہ پراکسی کو بھی وہی حقوق حاصل ہوں گے، جو شرکت کرنے، بولنے اور ووٹ دینے کے حوالے سے ہیں۔ پراکسی فارم پر دو افراد گواہی دیں گے، جن کے نام، پتے اور CNIC نمبر فارم پر درج ہوں گے۔

b) پراکسی اور پاور آف اٹارنی یا دیگر اتھارٹی کا تقرر کرنے والا آلہ جس کے تحت اس پر دستخط کیے گئے ہیں یا پاور آف اٹارنی کی نوٹیریال تصدیق شدہ کاپی کمپنی کے رجسٹرڈ آفس میں کم از کم 48 گھنٹے پہلے جمع کرائی جانی چاہیے۔ پراکسی فارم انگلش اور اردو زبانوں میں ممبران کو AGM کے نوٹس کے ساتھ بھیجے گئے ہیں۔

ڈائریکٹرز کی مجتمع رپورٹ

شکرگنج لمیٹڈ کے ڈائریکٹرز 30 ستمبر 2023 کو ختم ہونے والے سال کے لئے گروپ کے آڈٹ شدہ مجتمع مالی حسابات کے ساتھ اپنی رپورٹ پیش کرنے میں خوشی محسوس کرتے ہیں۔ اس گروپ میں شکرگنج لمیٹڈ اور اس کی جزوی طور پر ملکیتی ماتحت ادارہ ہے جس کا نام شکرگنج فوڈ پروڈکٹس لمیٹڈ ہے۔

30 ستمبر 2023 کو ختم ہونے والے سال کے لئے شکرگنج لمیٹڈ کی کارکردگی سے متعلق تبصروں کو ڈائریکٹرز کی رپورٹ میں الگ سے پیش کیا گیا ہے۔

گروپ کے مالیاتی نتائج:

گروپ کے مالیاتی نتائج کا خلاصہ حسبِ ذیل ہے:

روپے ہزاروں میں

	2023	2022
آمدن	24,598,876	30,309,676
مجموعی منافع	2,242,919	2,838,922
آپریشنز سے منافع	552,703	404,027
قبل از ٹیکس نقصان	(217,205)	(330,429)
ٹیکسیشن	(224,716)	176,894
بعد از ٹیکس نقصان	(441,921)	(153,535)
نقصان فی شیئر- بنیادی اور معتدل (روپے)	(4.17)	(1.69)

گروپ کی بنیاد پہ مجتمع مجموعی منافع پچھلے سال کے 2,838.92 ملین روپے کے مقابلے میں 2,242.92 ملین روپے رہا۔ مجتمع بیلنس شیٹ 30 ستمبر 2022 کے 27,149.95 ملین روپے کے مقابلے میں 30 ستمبر 2023 کو 27,396.47 ملین روپے پر رہی۔ مجموعی ایکویٹی 30 ستمبر 2022 پہ 12,146.81 ملین روپے سے 30 ستمبر 2023 پہ 11,856.47 ملین روپے تک کم ہوگئی۔

ترتیب حصص داری اور حصص کی تجارت

ترتیب حصص داری اور اضافی معلومات اس رپورٹ سے منسلک ہیں۔ ڈائریکٹرز، ایگزیکٹو اور ان کے زوج اور چھوٹے بچوں کی طرف سے کمپنی کے حصص میں کوئی تجارت نہیں کی گئی ہے۔

بعد کے واقعات اور وعدے

مالی سال جس سے یہ بیلنس شیٹ متعلقہ ہے کے اختتام اور ڈائریکٹرز رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت پر اثر انداز ہونے والی کوئی مادی تبدیلیاں وقوع پذیر اور وعدے نہیں کئے گئے ہیں۔

اظہار تشکر

ڈائریکٹرز کمپنی کے عملے اور کارکنوں کی کمپنی کے لئے لگن اور جان نثاری کو سراہتے ہیں۔ ڈائریکٹر حصص داران، بینکوں اور شریک تمام جماعتوں کی مسلسل دلچسپی اور حمایت کی تعریف کا اظہار کرنے میں خوشی محسوس کرتے ہیں اور امید رکھتے ہیں کہ مستقبل میں بھی یہی جذبہ غالب رہے گا۔

منجانب بورڈ

محمد سیف اللہ
چیف ایگزیکٹو آفیسر

علی الطاف سلیم
ڈائریکٹر

06 فروری 2024 ء

ادائیگیوں،ڈیبٹ یا قرض میں نادہندگی

کمپنی واجب رقم کی بروقت واپسی کی اپنی ذمہ داری کوتسلیم کرتی ہے اورصنعت میں کامیابی حاصل کرنے والے بہترین طریقوں کی تعمیل کی جاتی ہے یہ بیان کیا گیاہے کہ زیرِ جائزہ سال کے دوران کسی بھی قرض یا ڈیبٹ کی ادائیگی میں کوئی نادہندگی نہیں ہوئی سوائے اس کے جیسا کہ مالی بیانات میں ظاہر کیا گیا ہے۔۔

کاروبار کی نوعیت میں تبدیلی

کمپنی کے کاروبار کی نوعیت سے متعلق مالی سال کے دوران کوئی تبدیلی نہیں ہوئی ہے۔

متعلقہ پارٹی کے معاملات

آڈٹ کمیٹی کے جائزہ اورسفارش کے بعد تمام متعلقہ پارٹی لین دین کو بورڈ کی طرف سے منظور کیا گیا ہے۔کمپنی نے اس سالانہ رپورٹ سے منسلکہ اپنے مالی حسابات میں متعلقہ پارٹی معاملات کے بارے میں تفصیلی وضاحت کی ہے۔اس طرح کا وضاحت کمپنیز ایکٹ،2017 کے چوتھے شیڈول اور قابل اطلاق بین الاقوامی مالیاتی رپورٹنگ معیارات کی ضروریات کے مطابق ہے۔

مالی جائزہ اور گوئنگ کنسرن مفروضہ

کرشنگ کے مختصر سیزن اور کرشنگ میں کمی کی وجہ سے،فنانشلز توقع کے مطابق اتنے اچھے نہیں ہیں،تاہم،کمپنی بہتر کارکردگی حاصل کرنے اور اپنے لیکویڈیٹی منظرنامے کو بہتر بنانے کے لیے اپنی بہترین کوششوں کے لیے پرعزم ہے۔لیکویڈیٹی کی کمی پر قابو پانے کے لیے مختلف اقدامات کیے گئے جیسا کہ نوٹ 1.3 میں اس کے ساتھ منسلک مالی بیانات کی تفصیلات دی گئی ہیں۔کارکردگی،تاثیر،اور پیداواری لاگت میں کمی کے ذریعے کمپنی کی پیداوار اور منافع کو بہتر بنانے کے لیے تمام تر کوششیں کی جارہی ہیں۔انتظامیہ سمجھتی ہے کہ بیان کردہ اقدامات کے نتیجے میں کمپنی کو مستقبل قریب کے لیے اپنے کاروبار کے تسلسل کو برقرار رکھنے کے لیے مناسب مالی وسائل کی دستیابی ہوگی اور اس طرح اس کی تشویش کی صورتحال برقرار رہے گی۔

مستقبل کا نقطہ نظر

کم کرشنگ اور مختصر سیزن کے پیش نظر ہمارے بائیوفیول آپریشنز کے لیے خام مال قابل عمل قیمتوں پر دستیاب نہیں تھا۔جبکہ ہمارے ڈسٹلریز کے کاموں کا مستقبل کا نقطہ نظر ہمیشہ اچھے معیار کے مولاسز کی مسلسل دستیابی پر منحصر ہوتا ہے۔زیادہ قیمتوں اور کیش فلو کی کمی کی وجہ سے بڑے پیمانے پر خریداری کی توقع نہیں ہے تاہم،انتظامیہ نے اگلے سیزن میں ڈسٹلریز کے آپریشنز کو چلانے کے لیے اپنی پوری کوشش کرنے کا منصوبہ بنایا ہے۔ٹیکسٹائل کے کاروبار میں مشکل کاروباری ماحول خام مال مہنگا ہونے کے باعث تاحال آپریشن شروع نہیں کیا جاسکا۔جیسا کہ ہماری پچھلی سالانہ رپورٹ میں بتایا گیا ہے،انتظامیہ لیکویڈیٹی کی کمی پر قابو پانے کے لیے اقدامات کررہی ہے اور ہمیں امید ہے کہ کمپنی اپنا کام جاری رکھے گی۔تمام چیلنجوں کے باوجود،ہم مشکل وقت سے گزرنے کے لیے پرعزم ہیں۔

اظہار تشکر

ڈائریکٹرز کمپنی کے عملے اور کارکنوں کی کمپنی کے لئے لگن اور جان نثاری کو سراہتے ہیں۔ڈائریکٹر حصص داران،بینکوں اور شریک تمام جماعتوں کی مسلسل دلچسپی اور حمایت کی تعریف کا اظہار کرنے میں خوشی محسوس کرتے ہیں اور امید رکھتے ہیں کہ مستقبل میں بھی یہی جذبہ غالب رہے گا۔

منجانب بورڈ

محمد سیف اللہ
چیف ایگزیکٹو آفیسر

علی الطاف سلیم
ڈائریکٹر

06 فروری 2024 ء

بورڈ آف ڈائریکٹرز اور اسکی کمیٹیوں کی کارکردگی کی تشخیص

ہیومن ریسورس اینڈ ریمنریشن کمیٹی نے انفرادی بورڈ یا کمیٹی ارکان کی طرف سے جو بھی صورت ہو خود تشخیصی کے قائم شدہ میکانزم پر مبنی بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی کارکردگی کا جائزہ لیا ہے۔مندرجہ بالا میکانیزم بورڈ کی طرف سے ہیومن ریسورس اینڈ ریمنریشن کمیٹی کی سفارش پر منظور کیا گیا۔

سی ای او کی کارکردگی کی تشخیص

سال کے دوران بورڈ کی ہیومن ریسورس اینڈ ریمنریشن کمیٹی نے تشخیصی نظام پر مبنی قائم شدہ کارکردگی کے مطابق سی ای او کی کارکردگی کا تعین کیا۔مندرجہ ذیل معیار پر تشخیصی جائزہ لیا گیا:

- ✓ **قیادت**
- ✓ **پالیسی اور حکمت عملی**
- ✓ **لوگوں کی مینجمنٹ**
- ✓ **بزنس پراسیس/مہارت**
- ✓ **گورننس اور تعمیل**
- ✓ **مالیاتی کارکردگی**
- ✓ **معاشرہ پر اثرات**

اس کے بعد، کمیٹی کی سفارش پر جائزہ کے بعد بورڈ کی طرف سے تشخیص کی منظوری دی گئی۔

ترتیب حصص داری اور حصص کی تجارت

ترتیب حصص داری اور اضافی معلومات اس رپورٹ سے منسلک ہیں۔ڈائریکٹرز، ایگزیکٹو اور ان کے زوج اور چھوٹے بچوں کی طرف سے کمپنی کے حصص میں کوئی تجارت نہیں کی گئی ہے۔

مالیاتی حسابات

پاکستان میں قابل اطلاق اکاؤنٹنگ اور رپورٹنگ معیارات کے تحت درکار اور کمپنیز ایکٹ، 2017 کی ضروریات (XIX of 2017) کے مطابق، انتظامیہ ایسے داخلی کنٹرول کے لئے مالی حسابات کی تیاری اور منصفانہ پریزنٹیشن کی اپنی ذمہ داری سے آگاہ ہے کیونکہ انتظامیہ کا تعین مالی حسابات کی تیاری کو مستحکم کرنے کے لئے ضروری ہے جس میں مواد غلطی سے پاک ہو، چاہے دھوکہ دہی یا غلطی کی وجہ سے ہو۔

چیف ایگزیکٹو آفیسر اور چیف فنانشل آفیسر نے مالیاتی حسابات اپنے دستخطوں کے ساتھ باقاعدہ توثیق شدہ بورڈ آف ڈائریکٹرز کے غور وخوض اور منظوری کے لئے پیش کئے ہیں اور بورڈ غور وخوض اور منظوری کے بعد مالی حسابات جاری اور ترسیل کرنے کے لئے دستخط کرنے کا مجاز ہے۔کمپنی کے مالیاتی حسابات کمپنی کے آڈیٹرز، ریاض احمد اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی طرف سے باقاعدہ نظر ثانی شدہ اور منظور شدہ ہیں اور ان کی رپورٹ مالیاتی حسابات کے ہمراہ منسلک ہے۔ڈائریکٹرز چیف ایگزیکٹو کے جائزہ اور اس سالانہ رپورٹ کے مواد کی تصدیق کرتے ہیں اور وہ کمپنیز ایکٹ 2017ء کی دفعہ 227 کی شرائط اور مندرجہ کمپنیز (کوڈ آف کارپوریٹ گورننس) کے ضابطے 2017 کے مطابق ڈائریکٹرز رپورٹ کا لازمی حصہ بنے گا۔

ڈیویڈینڈ اور کیری فارورڈ

ڈائریکٹرز نے 30 ستمبر 2023 کو ختم ہونے والے سال کے لئے ڈیویڈینڈ کی ادائیگی کی سفارش نہیں کی ہے۔اس کے علاوہ کوئی رقم عام ریزرو یا کسی بھی دیگر ریزروفنڈز اکاؤنٹ میں آگے نہیں بھیجی جارہی ہے۔

بعد کے واقعات

مالی سال جس سے یہ بیلنس شیٹ متعلقہ ہے کے اختتام اور ڈائریکٹرز رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت پر اثر انداز ہونے والی کوئی مادی تبدیلیاں وقوع پذیر اور وعدے نہیں کئے گئے ہیں۔

بورڈ نے حسبِ ذیل ارکان پر مشتمل کمیٹیاں تشکیل دی ہیں:

نام کمیٹی	نام ارکان اور چیئرمین	تعداد حاضری
آڈٹ کمیٹی	جناب شعیب احمد خان (چیئرمین)	1
	جناب بشیر احمد	1
	جناب محمد اقبال	1
	محترمہ ثنا عاطف	-
	آؤٹ گوئنگ ڈائریکٹرز	
	جناب شیخ عاصم رفیق (31 مئی 2023 کو ریٹائر ہوئے)	3
	جناب خالد بشیر (31 مئی 2023 کو ریٹائر ہوئے)	3
	جناب جاوید انجم (31 مئی 2023 کو ریٹائر ہوئے)	3
	محترمہ زہرا احسان سلیم (26 ستمبر 2023 کو استعفیٰ دیا)	4
	جناب صداقت حسین (19 دسمبر 2023 کو استعفیٰ دیا)	2
ہیومن ریسورس اینڈ ریمنریشن کمیٹی	جناب شعیب احمد خان (چیئرمین)	1
	جناب منظور حسین	1
	جناب بشیر احمد	-
	آؤٹ گوئنگ ڈائریکٹرز	
	جناب میاں محمد انور (31 مئی 2023 کو ریٹائر ہوئے)	-
	جناب خالد بشیر (31 مئی 2023 کو ریٹائر ہوئے)	-
	جناب انجم محمد سلیم (31 مئی 2023 کو ریٹائر ہوئے)	-
	محترمہ زہرا احسان سلیم (26 ستمبر 2023 کو استعفیٰ دیا)	1

بورڈ میں غیر معمولی آسامیاں جب بھی خالی ہوئی، بھری گئیں۔ ڈائریکٹرز کے انتخاب کے بعد بورڈ نے 01 جون 2023 کو منعقدہ اپنے 208 ویں اجلاس میں متفقہ طور پر 31 مئی 2026 تک تین سال کی مدت کے لیے جناب محمد سیف اللہ کو چیف ایگزیکٹو آفیسر اور جناب علی الطاف سلیم کو ڈپٹی چیف ایگزیکٹو آفیسر مقرر کیا۔

بورڈ آف ڈائریکٹرز کی طرف سے حد کے مطابق جائزہ لیا گیا، کمپنی کے تمام محکموں کے سربراہ "ایگزیکٹوز" تصور کئے جائیں گے۔

نان ایگزیکٹو اور آزاد ڈائریکٹرز کا معاوضہ

بورڈ آف ڈائریکٹرز نے ایک "ڈائریکٹرز ریمنریشن پالیسی" کی منظوری دی ہے، منظور شدہ پالیسی کی اہم خصوصیات حسبِ ذیل ہیں:

- ✓ کوئی ڈائریکٹر اپنی خود کی ریمنریشن متعین نہیں کرے گا/ گی۔
- ✓ باقاعدہ پیڈ چیف ایگزیکٹو، سپانسرز اور یا فیملی ڈائریکٹرز اور کل وقتی کام کرنے والے ڈائریکٹرز کے علاوہ بورڈ اور اسکی کمیٹی کے اجلاسوں میں شرکت کے لئے ڈائریکٹر میٹنگ فیس کی رقم 20,000 روپے (بیس ہزار روپے صرف) یا بورڈ کی طرف سے وقتاً فوقتاً متعین کردہ کے مطابق ہوگی۔
- ✓ ڈائریکٹرز اجلاسوں میں شرکت کے لئے سفری، قیام اور دیگر اخراجات کے بشمول تمام مناسب اخراجات لینے کے بھی اہل ہوں گے۔

بورڈ آف ڈائریکٹرز اور اسکی کمیٹیاں

بورڈ آ ڈ ڈائریکٹرز آٹھ ارکان پر مشتمل ہے جس میں سات مرد ارکان اور ایک خاتون رکن شامل ہے۔ ایک ڈائریکٹر نے 26 ستمبر 2023 کو استعفیٰ دے دیا تھا اور دوسرے ڈائریکٹر نے سال کے آخر کے بعد استعفیٰ دیا ہے۔ سال کے آخر کے بعد بورڈ نے دو نئے ڈائریکٹرز کا تقرر کیا ہے۔ سال کے دوران بورڈ آف ڈائریکٹرز کے چار (4) اجلاس، آڈٹ کمیٹی کے چار (4) اجلاس اور ہیومن ریسورس اینڈ ریمنریشن کمیٹی کا ایک (1) اجلاس منعقد ہوا۔ ذیل میں ہر ایک ڈائریکٹر کی حاضری دی گئی ہے۔

کیٹگری	نام ڈائریکٹر	تعداد حاضری
آزاد ڈائریکٹرز	جناب شعیب احمد خان	2
	محترمہ ثنا عاطف	-
	آوٹ گوئنگ ڈائریکٹرز	
	جناب شیخ عاصم رفیق (31 مئی 2023 کو ریٹائر ہوئے)	2
	محترمہ زہرا احسان سلیم (26 ستمبر 2023 کو استعفیٰ دیا)	4
نان ایگزیکٹو ڈائریکٹرز	جناب منظور حسین (چیئرمین)	2
	جناب بشیر احمد	2
	جناب محمد اقبال	-
	آوٹ گوئنگ ڈائریکٹرز	
	جناب جاوید انجم (31 مئی 2023 کو ریٹائر ہوئے)	2
	جناب خالد بشیر (31 مئی 2023 کو ریٹائر ہوئے)	2
	جناب میاں محمد انور (31 مئی 2023 کو ریٹائر ہوئے)	2
	جناب صداقت حسین (19 دسمبر 2023 کو استعفیٰ دیا)	2
ایگزیکٹو ڈائریکٹرز	جناب محمد سیف اللہ (چیف ایگزیکٹو آفیسر)	1
	جناب علی الطاف سلیم (ڈپٹی چیف ایگزیکٹو آفیسر)	4
	جناب مصطفیٰ الطاف سلیم	2
	آوٹ گوئنگ ڈائریکٹرز	
	جناب انجم محمد سلیم (31 مئی 2023 کو ریٹائر ہوئے)	1
	جناب محمد پرویز اختر (31 مئی 2023 کو ریٹائر ہوئے)	2

ہیں۔اولالافلیورڈ دودھ کی فراہمی ہماری باقاعدہ خصوصیت ہے اور دو سکولوں میں 232 طلباء کو اولالافلیورڈ دودھ مستقل بنیادوں پر فراہم کیا جا چکا ہے۔شکرگنج سٹیزنز فاؤنڈیشن کے ایجوکیشن پروگرام کو بھی مدد فراہم کرتی ہے۔تعلیم کو بنیادی تعاون فراہم کرنے کے مقصد کے ساتھ ایک پبلک سروسز کے طور پر شکرگنج کے پریمسز میں ٹیچرز ٹریننگ انسٹیٹیوٹ قائم کیا گیا ہے۔

شکرگنج سکول کے بچوں کو خصوصی مراعات بھی دیتا ہے جس میں سکول کے امتحانات میں اعلیٰ نمبرز حاصل کرنے والوں کو اسکالرشپس اور انعامات ،سکول کے بچوں کے لئے کھیلوں کے مقابلے اور سکول کے بچوں اور اساتذہ کیلئے انٹر سکول خوشخطی کے مقابلے شامل ہیں۔ ہمارے ہیلتھ کیئر کے اقدامات ہماری وسیع کمیونٹی کے دروزے پر بنیادی طبی سہولیات فراہم کرتے ہیں۔ ماہر ڈاکٹروں ، پیرامیڈیکل سٹاف کی تین ٹیموں اور موبائل ڈسپنسریوں نے سال کے دوران 11,500 سے زائد مریضوں کا علاج کیا۔

ہم اسکول آف آرٹ اینڈ کیلی گرافی میں سٹرکچر ٹریننگ پروگرام میں فنکارانہ مہارتوں کو بہتر بنانے میں مقامی ذہانت کو مدد فراہم کرتے ہیں۔سکول میں شکرگنج کے زیرِ انتظام ان فنکاروں کے کام کی نمائش اور ثقافتی ورثہ کی ترقی کیلئے ایک ڈسپلے سنٹر بھی قائم کیا گیا ہے۔سال 2023-2022 میں فیشن ڈیزائننگ اور فائن آرٹ بیچز میں کل 200 طلباء پاس آؤٹ ہوئے ہیں۔

صحت،حفاظت اور ماحول

جیسا کہ ہم ہمیشہ مثالی کارپوریٹ شہری بننے کا ارادہ رکھتے ہیں،صحت،حفاظت،اور ماحولیاتی خدشات ہمیشہ ہمارے اہم فوکل پوائنٹس ہیں۔ہم اپنے ملازمین،ٹھیکیداروں اور زائرین کے لئے صحت مند،محفوظ اور صاف حالات فراہم کرنے کے لئے مصروف عمل ہیں۔ایک اچھا کام کرنے والا ماحول فراہم کرنے میں حفاظت سے زیادہ کسی اور کو اعلی ترجیح نہیں دی جاتی ہے اور ہم شدید چوٹ اور حادثے کے اوقات کو صفر درجہ تک کم کرنے کے لئے مسلسل کوشاں رہتے ہیں۔شکرگنج ٹیم کے تقریباً نوسو بیالیس اراکین نے پاکستان ہلال احمر سوسائٹی- پنجاب اور ریسکیو 1122 کے تعاون سے ابتدائی طبی امداد میں پیشہ ورانہ تربیت اور سٹرفکیٹ حاصل کرنے کے لئے منظّم پروگرام میں حصہ لیا ہے۔مزید برآں،ٹیم شکرگنج کے تقریباً 30 ارکان نے W.W.F کے ورک پلیس سیفٹی اور ڈیسنٹ ورک میں حصہ لیا ہے۔ممکنہ حادثات سے نمٹنے کے لئے حفاظتی اقدامات اور ٹریننگ اور بروقت ردعمل کے طریقہ کار نے شدید زخم اور حادثات کو کم سے کم کیا۔

ماحولیاتی تحفظ کے معاملات کو ہمیشہ منافع کے خدشات سے زیادہ ترجیح دی جاتی ہے۔شکرگنج اپنی تمام مصنوعات کو قابل تجدید فصلوں اور خام مال سے پیدا کرتی ہے اور ہمارے ماحول کو نقصان پہنچانے کی لاگت میں منافع بنانے میں یقین نہیں رکھتی ہے۔ ہم فعال طور پر اپنی کمیونٹی میں اور قومی سطح پر ماحولیاتی تحفظ کی سرگرمیوں کو فنڈ اور معاونت دیتے ہیں۔بجلی کی بچت اور 'صفر' ضیاع کا مقصد ہماری اہم ماحول دوست پالیسیاں ہیں۔ ہماری پروڈکشن لائنوں میں چینی کی بائی مصنوعات کے استعمال نے فوسل فیولز کے استعمال اور فضلہ کو ضائع کرنے کے مسائل کو نمایاں طور پر کم کر دیا ہے۔ ہمارے پیداواری عمل میں ڈسٹلری سپینٹ واش قطعی ویسٹ مصنوعات ہے۔اب اسے حیاتیاتی طریقہ سے بطور ایندھن بائیوگیس تیار کی جاتی ہے اور پانی آبپاشی کے لئے استعمال کیا جاتا ہے۔اس کے علاوہ ہم زمین کے حیاتیاتی کیڑوں کے کنٹرول، نامیاتی زراعت کی تکنیک،اور تمام قدرتی غذائی اجزاء کی واپسی اور فروغ دینے کی حوصلہ افزائی کرتے ہیں جو کہ ملوں تک شوگر کین کی سپلائی سے لائے جاتے ہیں۔ہم ورلڈ وائیڈ فنڈ فار نیچر- پاکستان کی سرگرمیوں کی بھرپور حمایت کرتے ہیں، پانی کے انتظام کے لیے باقاعدہ تربیتی اور تعلیمی پروگرام چلاتے ہیں اور ہر سال دو بار درخت لگانے کی مہم میں حصہ لیتے ہیں۔HSE کا ہمارا نقطہ نظر ہمارے مشن زیرو ایجنڈا میں ظاہر ہوتا ہے جو صفر حادثات اور کام سے متعلق کمیوں کو نشانہ بناتا ہے۔مشن زیرو ایجنڈا کو مؤثر طریقے سے نافذ کرنے کے لئے ، ہم اپنے لوگوں کو اپنے حصہ کا کردار ادا کرنے کے لئے بااختیار بناتے اور حوصلہ افزائی کرتے ہیں۔ہم سب کو اپنے کام کی جگہوں کو محفوظ رکھنے میں اپنے حصہ کا کردار ادا کرنا چاہئے۔سب سے زیادہ مؤثر طریقوں میں سے ایک جو ہم کر سکتے ہیں اپنے اردگرد کے خطرات کے بارے میں آگاہ رہنا اور ان سے نمٹنے کے لئے کارروائی کرنا ہے۔لہذا ہم اپنے تمام لوگوں کی فعال طور پر ان کے کام کے ماحول کا باقاعدگی سے جائزہ لینے اور کسی بھی شناختی خطرات کی اطلاع دینے کے لئے سرگرمی کی حوصلہ افزائی کرتے ہیں۔اس کے نتیجے میں، ہم نے بغیر لوسٹ ٹائم انجری کے 2.4 ملین سیف ورکنگ مین گھنٹے حاصل کیے ہیں۔

ایک محفوظ اور صحت مند کام کے ماحول کو یقینی بنانے کے لیے، کمپنی اپنی صحت اور حفاظت کے طریقوں کو وبائی مرض کی ڈیولپمنٹ کے مطابق ڈھال رہی ہے۔کمپنی کے احاطے کے اندر سخت چیکنگ کو یقینی بنایا گیا ہے اور اقدامات میں عملے کی درجہ بندی بھی شامل ہے جو بلاتعطل کارروائیوں کے لیے دفتر میں موجود ہونا ضروری ہے، جبکہ دوسرے عملے کو جہاں بھی ضرورت ہو گھر سے کام پر منتقل کر دیا جاتا ہے۔تکنیکی ترقیات نے کم سے کم جسمانی تعامل کو مجازی میٹنگز میں تبدیل کر کے ممکن بنایا ہے۔

شکرگنج ماحولیات، آلودگی کی روک تھام، اور قابل اطلاق قانونی اور دیگر ضروریات کی تعمیل کی طرح، اپنے ملازمین کو ان کے فرائض انجام دینے کے لئے ایک صحت مند اور محفوظ کام کی جگہ فراہم کرنے کے لئے پرعزم ہے۔ ہم اپنے ملازمین کی جسمانی اور ذہنی صحت کی حفاظت، پیشہ ورانہ صحت کی خدمات کے سکوپ اور کوریج کو بڑھانے اور مسلسل اپنے پیشہ ورانہ صحت کے انتظام کے نظام کو بہتر بنانے کے لئے پُرعزم رہتے ہیں۔شکرگنج میں، ہمارے ملازمین کے لئے باقاعدگی سے صحت کی دیکھ بھال کی جاتی ہے۔اس کے علاوہ، ہم بہتر صحت کے انتظام اور بیماری کی روک تھام کے لئے ملازمین کی صحت کا ریکارڈ رکھتے ہیں۔ہم ایک وقف صحت کے معاون نظام پر بھی گہری توجہ دیتے ہیں اور اپنے ملازمین کی صحت اور حفاظت کو یقینی بنانے کے لئے خصوصی بیماری کی جانچ فراہم کرتے ہیں۔ہم نے شکرگنج میں واقعات اور حادثات کے لئے جامع ایمرجنسی پلان بھی جاری کیا ہے اور کمپنی کے لئے حفاظتی انتظام اور خطرے کی روک تھام کا نظام قائم کیا ہے۔ہم منصوبہ کو بہتر بنانے، ملازمین کی روک تھام اور خود کی مدد بارے شعور کو بڑھانے اور ہنگامی صورتحال کو سنبھالنے کے لئے ٹیم کی صلاحیت کو بہتر بنانے کے لئے باقاعدگی سے ایمرجنسی مشق منظّم کرتے ہیں۔

بنیادی خطرات اور غیر یقینی صورتحال کا مقابلہ

کمپنی کو درپیش بنیادی خطرات اور غیر یقینی صورتحال حسبِ ذیل ہیں۔

- ✓ چینی کی قیمت فروخت کے مقابلے گنے کی زیادہ قیمت خرید۔
- ✓ تیار پراڈکٹس پر بھاری ٹیکسز، سیلز ٹیکس ریٹس۔
- ✓ آبپاشی کے لیے پانی کی کمی، فصل کی فی ایکڑ پیداوار میں کمی اور کم صلاحیتی استعمالات۔
- ✓ نقصان دہ سیاسی دلچسپیاں
- ✓ زراعت پر مبنی صنعت، قدرتی آفات کے حالات کے اصل خطرات۔
- ✓ پیداوار اور لیبر کی لاگت میں اضافہ۔
- ✓ آپریشنل اخراجات میں مجموعی افراطِ زر میں اضافہ۔
- ✓ ماحولیاتی تعلقات اور شوگر فری مصنوعات۔
- ✓ روپے کی قدر میں مزید کمی لاگت میں اضافہ پر منتج ہوگی۔

جامع انٹرنل کنٹرول

کمپنی کے انٹرنل کنٹرول کا نظام ڈیزائن میں مستحکم ہے اور اسے مؤثر طریقے سے لاگو اور نگرانی کی جاتی ہے۔ بورڈ آف ڈائریکٹرز انٹرنل کنٹرولز کے ماحول کی بابت اپنی ذمہ داریوں سے آگاہ ہے اور اس کے مطابق آپریشنز کی مؤثر گی کو یقینی بنانے، کمپنی کے اثاثوں کی حفاظت، قابل اطلاق قوانین وضوابط کی تعمیل اور قابل اعتماد مالی رپورٹنگ کیلئے انٹرنل فنانشل کنٹرولز کا مؤثر نظام قائم کیا ہے۔ آؤٹ سورس خود مختار انٹرنل آڈٹ فنکشن کام کر رہا ہے اور ایسا فنکشن فنانشل کنٹرولز کے اطلاق کی باقاعدگی سے تشخیص اور نگرانی کرتا ہے۔ بورڈ کی آڈٹ کمیٹی، سہ ماہی بنیاد پر باقاعدگی سے انٹرنل کنٹرول فریم ورک اور مالیاتی حسابات کی مؤثر گی کا جائزہ لیتی ہے۔

آڈیٹرز

آڈیٹرز ایچ ایل بی اعجاز تبسم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہوجائیں گے اور انہوں نے خود کو دوبارہ تقرری کے لیے پیش نہیں کیا ہے۔ ہم ان کی خدمات کے لیے اپنا مخلصانہ شکریہ اور تعریف کرتے ہیں۔ بورڈ نے، آڈٹ کمیٹی کی سفارش پر آئندہ سالانہ جنرل میٹنگ میں ممبران کے غور کے لیے کریسٹن حیدر بھیم جی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو بطور آڈیٹر مقرر کرنے کی سفارش کی ہے۔

کارپوریٹ سماجی ذمہ داری

ہم کمیونٹیز، جس میں کاروبار کرتے ہیں، میں فعال طور پر حصہ لینے اور ماحول کو بہتر بنانے کے مواقع تلاش کرتے ہیں۔ بنیادی توجہ کے ہمارے شعبے تعلیم، صحت اور حفاظت، توانائی کی بچت، فضلہ کی کمی اور کمیونٹیز کی تعمیر ہیں۔ سال کے دوران شکر گنج نے ان سرگرمیوں میں 15.14 ملین روپے کا حصہ شامل کیا۔ کارپوریٹ کمیونٹی کا ایک ذمہ دار رکن ہونے کی حیثیت سے، شکر گنج نے ہمیشہ ٹیکسز اور دیگر حکومتی لیویز کی مد میں قومی معیشت میں کافی حصہ شامل کیا ہے۔ کمپنی کا وفاقی، صوبائی اور ملکی ٹیکسز کا حصہ زیرِ جائزہ سال کے دوران 1,282 ملین روپے تھا۔

شکر گنج میں، کارپوریٹ سماجی ذمہ داری (سی ایس آر) ایک بنیادی اسٹریٹجک مینجمنٹ چلاتی ہے جو ہمارے کاروبار، ماحول اور سٹیزن شپ کو اس انداز سے قائم کرتی ہے جو ہمارے وژن کو مدد دیتی ہے اور ہماری اقدار کو برقرار رکھتی ہے۔ ہمارا مقصد کمیونٹیز جس میں ہم کاروبار کرتے ہیں میں ایک مثبت کردار ادا کرنا ہے۔ ہماری کمیونٹی انوالومنٹ پالیسی ہمارے اخلاقی رویہ کے بنیادی عناصر میں سے ایک ہے۔ ہمارا مشترکہ مقصد ڈیلیور کرنے کیلئے مقامی کمیونٹیز کے ساتھ طویل مدتی تعلقات تعمیر کرنے میں مصروف ہمارے پروگرامز، منصوبے جو براہِ راست مقامی ضروریات کو پورا کرتے ہیں میں وقت اور ذرائع کی سرمایہ کاری کے ذریعے مضبوط، محفوظ، صحت منداور تعلیم یافتہ کمیونٹیز کا قیام ہیں۔ ہمارا سوشل ایکشن پروگرام (شکر گنج فاؤنڈیشن کے تحت) "Sukh Char Programme" عنوان کے تحت ہماری وسیع کمیونٹی میں سماجی خدمات کی ورائٹی مہیا کرتا ہے۔ ان خدمات میں تعلیم، صحت کی حفاظت، فنون کی ترقی اور ہمارے ثقافتی ورثہ کی حفاظت شامل ہیں۔

ہمارا سکول کو اپنانے کا اقدام 35 مقامی گرلز اور بوائز سکولوں کو مدد فراہم کرتا ہے جس میں جہاں ضرورت ہو پینے کا صاف پانی، نیوٹریشن سپلیمنٹ، یونیفارمز، بنیادی ڈھانچہ کی بحالی اور اضافی سہولیات کی تعمیر شامل

ڈائریکٹرز کی رپورٹ

محترم شکر گنج حصص داران:

شکر گنج لمیٹڈ (" کمپنی ") کے ڈائریکٹرز 30 ستمبر 2023ء کو ختم ہونے والے مالی سال کے لئے اپنی رپورٹ معہ کمپنی کے نظر ثانی شدہ مالیاتی حسابات بخوشی پیش کر رہے ہیں۔

کمپنی کے معاملات کی حالت اور اس کے کاروبار کا جائزہ

کمپنی پاکستان میں قائم ہوئی اور پاکستان سٹاک ایکسچینج پر مندرج ہے۔ یہ بنیادی طور پر چینی ، بائیو فیول ، یارن (ٹیکسٹائل) کی تیاری، خریداری اور فروخت کے کاروبار میں مشغول ہے۔ کمپنی کی بنیادی مینوفیکچرنگ سہولیات جھنگ اور سیٹلائٹ مینوفیکچرنگ سہولیات بھون میں واقع ہیں۔

مالیاتی نتائج:

کمپنی کے مالیاتی نتائج کا خلاصہ درج ذیل ہے:

روپے ہزاروں میں

	2023	2022
آمدن	9,561,824	12,325,570
مجموعی (نقصان) / منافع	(322,715)	370,713
آپریشنز سے نقصان	(587,768)	(66,036)
ایکوئٹی سے نفع کا حصہ بلحاظ سرمایہ کاری	87,325	64,196
قبل از ٹیکس نقصان	(863,213)	(338,138)
ٹیکسیشن	316,994	112,836
بعد از ٹیکس نقصان	(546,219)	(225,302)
نقصان فی شیئر- بنیادی اور معتدل (روپے)	(4.37)	(1.80)

کمپنی کے کاروبار کا جائزہ

شکر گنج کی تاریخ کا یہ دوسرا مختصر ترین کرشنگ سیزن تھا جو گزشتہ سال 145 دنوں کے مقابلے صرف 88 دن تک جاری رہا۔ جیسا کہ ہمارے پچھلے جائزے میں پہلے بتایا گیا ہے، ہم نے شکر گنج میں 02 مارچ کو کرشنگ مہم کی جلد بندش کے ساتھ موجودہ سیزن کے دوران چینی کی 10.26 فیصد کی تاریخی ریکوری حاصل کی جبکہ کرشنگ سیزن 05 دسمبر 2022 کو شروع کیا گیا تھا۔ انتہائی مشکل صورتحال کے باوجود، آپ کی کمپنی پچھلے سال 1,347,651 میٹرک ٹن گنے کے مقابلے میں 1,019,181 میٹرک ٹن گنا کرش کرنے میں کامیاب رہی۔

سیزن کا آغاز پنجاب میں گنے کی اب تک کی بلند ترین سپورٹ پرائس کے ساتھ ہوا جس میں ہر سال نمایاں اضافہ ہوتا رہا۔ یہ ایک بہت بڑا چیلنج تھا کیونکہ چینی کی قیمت کبھی بھی طے نہیں کی گئی بلکہ حکومت کی جانب سے مختلف اقدامات کر کے منفی طور پر کنٹرول کی گئی۔ ملوں کے درمیان سخت مقابلے کے نتیجے میں کافی زیادہ قیمت پر گنے کی خریداری کی گئی۔ ہمارے بائیو فیول کے کاروبار نے بھی مثبت کردار ادا کیا ہے لیکن سیزن بہت کم ہونے کی وجہ سے ہماری مولاسس کی خریداری کی مہم کو نقصان پہنچا۔ یارن مارکیٹ کی مجموعی صورتحال کی وجہ سے ہمارے ٹیکسٹائل کے کاروبار کو بھی نقصان پہنچا کیونکہ ٹیکسٹائل کے کاروبار میں مشکل کاروباری ماحول جاری رہا، اس لیے پلانٹ سال بھر کام نہیں کر سکا۔

کمپنی نے پچھلے سال کے دوران 370.71 ملین روپے مجموعی منافع کے مقابلے میں اس سال کے دوران 322.72 ملین روپے مجموعی نقصان کیا۔ پچھلے سال 66.04 ملین روپے کے مقابلے میں آپریشنز سے نقصان 587.77 ملین روپے تھا۔ کمپنی نے ٹیکس سے پہلے 863.21 ملین روپے نقصان اور پچھلے سال 225.30 ملین روپے کے مقابلے میں ٹیکس کے بعد 546.22 ملین روپے نقصان کیا۔ کمپنی نے شکر گنج فوڈ پراڈکٹس لمیٹڈ میں اپنی ایکویٹی اکاؤنٹڈ انویسٹمنٹ میں پچھلے سال 64.20 ملین روپے منافع کے مقابلے میں 87.33 ملین روپے منافع کمایا۔

10۔ **سی ای او کی کارکردگی کا جائزہ:** بورڈ منصفانہ اور منظّم طریقے سے سی ای او کی کارکردگی کی تشخیص کرتا ہے اور اس بات کو یقینی بناتا ہے کہ سی ای او کی تنخواہ کمپنی کی کارکردگی، حصص داران کے مفادات اور کمپنی کی طویل مدتی کامیابی سے موزوں طور منسلک ہے۔

11۔ **بورڈ کی ساخت اور متحرکات:** بورڈ کا سائز اور ساخت بورڈ کے طریقہ کار کو کنٹرول کرنے کے لئے کافی ہے اور اراکین بورڈ کے کام میں فعال طور پر مصروف ہیں۔ بورڈ اپنی ذمہ داریوں کی ادائیگی کے لئے کافی ضروریات کو پورا کرتا ہے۔

مجموعی طور پر، میں سمجھتا ہوں کہ سخت معاشی صورتحال کے باوجود اگلے تین سالوں کے لئے کمپنی کی اسٹریٹجک سمت واضح اور مناسب ہے۔ مزید یہ کہ مجموعی کارپوریٹ حکمت عملی تیار کرنے اور اس کے جائزہ لینے میں اپنائے جانے والے عمل اور کمپنی کے مقاصد کی تکمیل جامع ہے۔ یہاں میں انتظامیہ اور اپنے لوگوں کو ان کے عزم، استقامت اور آزمائش کی اس گھڑی میں انتھک تعاون کے لیے بھی تسلیم کرنا چاہوں گا، وہ گزشتہ چند سالوں کی مشکلات کے باوجود ہمارے ساتھ ثابت قدم رہے اور ڈیلیور کرتے رہے۔

میں مسلسل تعاون کے لیے تمام اسٹیک ہولڈرز کا شکریہ ادا کرنا چاہوں گا، اور مجھے امید ہے کہ کمپنی کی آپ کی سرپرستی آنے والے سالوں میں بھی جاری رہے گی۔

منظور حسین

چیئرمین

06 فروری 2024ء

چیئرمین کی جائزہ رپورٹ

مجھے شکر گنج لمیٹڈ کے حصص داروں کے سامنے بورڈ کی مجموعی کارکردگی اور کمپنی کے اغراض و مقاصد کے حصول میں اس کے کردار کی تاثیر کی یہ رپورٹ پیش کرتے ہوئے بے حد خوشی ہو رہی ہے۔

شکر گنج نے کاروباری معاملات کا ایک مؤثر اور محتاط انتظامات کا حمایتی مضبوط گورننس فریم ورک لاگو کیا ہے جو کمپنی کی طویل مدتی کامیابی حاصل کرنے میں اہم کردار ادا کرتا ہے۔

سال کے دوران بورڈ کمیٹیوں نے بڑی صلاحیت کے ساتھ کام جاری رکھا۔ آڈٹ کمیٹی نے خاص طور پر کاروبار سے منسلک خطرات کے انتظام اور کنٹرول پر توجہ مرکوز رکھی ہے۔ ساتھ ہی ساتھ، ہیومین ریسورس اور ریمنریشن کمیٹی نے اس بات کو یقینی بنایا ہے کہ کارکردگی کے انتظامات، ایچ آر عملے، معاوضہ اور فوائد کے بارے میں ایچ آر کی پالیسیاں مارکیٹ کے مقابلہ کی ہیں اور صرف کمپنی کی کارکردگی اور حصص داران کے مفادات کے ساتھ نہیں بلکہ کمپنی کی طویل مدتی کامیابی سے بھی موزوں طور پر منسلک ہیں۔

بورڈ نے مجموعی طور پر سالانہ رپورٹ اور مالی حسابات کا جائزہ لیا ہے، اور خوشی سے اس بات کی تصدیق کی ہے کہ مجموعی طور پر لی گئی ان کی جائزہ رپورٹ اور مالی حسابات، منصفانہ، متوازن اور قابل فہم ہیں۔

بورڈ خود تشخیصی کی بنیاد پر، مالی سال کے اختتام کے بعد ہر سال اپنی مؤثر گی اور کارکردگی کا جائزہ لیتا ہے۔ اس طرح کا گذشتہ جائزہ مالی سال 2023 کے لئے جنوری 2024 میں کیا گیا تھا۔ بورڈ کی مجموعی طور پر مؤثر گی اطمینان بخش تھی۔ شعبے جن میں بہتری کی ضرورت ہے ان پر مناسب طریقے سے غور و خوض کیا گیا ہے اور موزوں کارروائی کے منصوبے تیار کئے گئے ہیں۔

مجموعی تشخیص مندرجہ ذیل لازمی اجزاء کی تشخیص پر مبنی تھی:

1۔ **نقطہ نظر، مشن اور اقدار:** بورڈ کے اراکین موجودہ نقطہ نظر، مشن اور اقدار سے واقف ہیں اور تنظیم کے لئے انہیں موزوں پاتے ہیں۔

2۔ **اسٹریٹجک منصوبہ بندی میں مصروفیت:** بورڈ حصص داروں کو بخوبی سمجھتا ہے جن کو تنظیم خدمات فراہم کرتی ہے یعنی اپنے حصص داران، زمیندار، صارفین، ملازمین، وینڈرز، معاشرہ وغیرہ۔ بورڈ کا اسٹریٹجک نقطہ نظر ہے کہ اگلے تین سے پانچ سالوں میں تنظیم کو کس طرح تیار رہنا چاہئے اور اس کی ترقی کو ٹریک کرنے کے لئے اہم اشاروں کی نشاندہی کی ہے۔

3۔ **پالیسیوں کی تشکیل:** بورڈ نے ایسی پالیسیاں تشکیل دی ہیں جو بورڈ کی ذمہ داری اور کمپنی کے آپریشنز کے تمام ضروری شعبوں کا احاطہ کرتی ہیں۔

4۔ **تنظیم کی کاروباری سرگرمیوں کی نگرانی:** بورڈ تنظیم کی موجودہ کاروباری سرگرمیوں بشمول ہر ایک اہم سرگرمی کی مضبوطی اور کمزوری کے بارے بخوبی واقف ہے اور سرگرمی/ شعبہ وار کارکردگی کی نگرانی کے لئے ایک مؤثر طریقہ کار رکھتا ہے۔

5۔ **مالی وسائل کے انتظام کی مہارت:** بورڈ کمپنی کے مالی وسائل کے انتظامات سے متعلق اہم پہلوؤں کے بارے میں جانتا ہے اور بروقت بنیاد پر مناسب سمت اور نگرانی فراہم کرتا ہے۔

6۔ **مؤثر مالی نگرانی کی فراہمی:** بورڈ یقینی بناتا ہے کہ بجٹ سالانہ اسٹریٹجک منصوبہ میں قائم ترجیحات کی عکاسی کرتا ہے اور یہ اکاؤنٹس کے آڈٹ یا آزاد آزمائشی پر قابو پانے والے قواعد و ضوابط پر عمل کرتا ہے اور آزاد آڈیٹر کی رپورٹ اور مینجمنٹ لیٹر میں تمام سفارشات پر غور کرتا ہے۔

7۔ **ایک ذمہ دار آجر کا کردار ادا کرنا:** بورڈ نے ضروری پالیسیاں تشکیل دی ہیں جو اس بات کو یقینی بناتی ہیں کہ تنظیم عملے، ٹھیکیداروں، وینڈرز اور اس کی جانب سے کام کرنے والے کسی دوسرے فرد کی طرف مناسب اور قانونی طریقے کا سلوک روا رکھتی ہے۔

8۔ **بورڈ اور عملہ کے درمیان تعلقات:** بورڈ اور انتظامی عملے کے کردار اور ذمہ داریوں کی واضح طور پر وضاحت، فہم، باہمی اعتماد کا ماحول اور بورڈ اور انتظامیہ کے درمیان احترام موجود ہے۔

9۔ **تنظیم کے بارے عوامی تصور:** بورڈ کے ارکان کمیونٹی میں تنظیم کے مثبت تصور کو فروغ دیتے ہیں۔

FORM OF PROXY

I/We ____, being member(s) of Shakarganj Limited and holder of ___________________ Shares as per Folio No.________/CDC Participation ID # ______________ and Sub Account # ______________ /CDC Investor Account ID #_____________do hereby appoint ____________________________________ of _____________________________ having Folio No.________CDC Participation ID # __________ and Sub Account # _________/CDC Investor Account ID #______________as my/our proxy to attend, speak and vote for me/us and on my/our behalf at the Annual General Meeting of Shakarganj Limited scheduled to be held on Tuesday, 27 February 2024 at 11:30 a.m. at the Executive Floor, IT Tower, 73 E 1, Hali Road, Gulberg III, Lahore and through video-link to transact the following Ordinary Business:

As witness my / our hand this __________________________ day of __________________________ 2024.

1. Name ______________________________________

C.N.I.C ____

Address _____________________________________

____

2. Name ______________________________________

C.N.I.C ____

Address _____________________________________

____

Please affix here Revenue Stamp of Rs. 50/-

Notes:

1. A member entitled to attend and vote at a General Meeting is entitled to appoint a proxy.
2. The instrument appointing a Proxy together with the Power of Attorney, if any, under which it is signed or a notarially certified copy thereof, should be deposited at the Share Registrar Office of the Company, CorpTec Associates (Private) Limited, 503-E, Johar Town, Lahore, not less than 48 hours before the time of holding the Meeting.
3. CDC account holders will further have to follow the under mentioned guidelines as laid down in circular# 1 dated 26 January 2000 of the Securities and Exchange Commission of Pakistan for appointing Proxies:

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

   ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

   iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

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

   v) In case of a corporate entity, the Board of Directors' resolution/Power of attorney with specimen signatures of the proxy holder shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.

مختارنامہ

میں/ہم________________________________ کا/کے________________________________

بحیثیت رکن شکر گنج لمیٹڈ اور حامل________ حصص، بمطابق فولیو نمبر____________ سی ڈی سی پارٹیسپینٹ (شرکت) آئی ڈی نمبر____________

اور سب اکاؤنٹ (ذیلی کھاتہ) نمبر________ / سی ڈی سی سرمایا کارانہ اکاؤنٹ نمبر____________ محترم / محترمہ____________

کو اپنے / ہمارے ایماء پر مورخہ 27 فروری 2024 بروز منگل صبح 11:30 بجے ایگزیکٹو فلور، آئی ٹی ٹاور، 73 E 1، حالی روڈ، گلبرگ III، لاہور پر اور ویڈیو لنک کے ذریعے منعقد ہونے والے کمپنی کے سالانہ اجلاس عام میں حق رائے دہی استعمال کرنے یا کسی بھی التواء کی صورت اپنا/ہمارا بطور مختار (پراکسی) مقرر کرتا ہوں/ کرتے ہیں۔

آج بروز____________ بتاریخ____________ 2024ء کو دستخط کیے گئے۔

گواہان:

1۔ دستخط:____________________

نام:____________________

پتہ:____________________

____

کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر:

پچاس روپے مالیت کے رسیدی ٹکٹ پر دستخط

دستخط کمپنی کے نمونہ دستخط سے مماثل ہونے چاہئیں

2۔ دستخط:____________________

نام:____________________

پتہ:____________________

____

کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر:

____

نوٹ:

1۔ ایک ممبر (رکن) جو اجلاس میں شرکت اور ووٹ دینے کا مجاز ہوا، اپنی جگہ کسی کو بطور نائب شرکت کرنے اور ووٹ دینے کا حق تفویض کر سکتا ہے۔

2۔ پاور آف اٹارنی کے ساتھ ایک پراکسی کا تقرر کرنے والا آلہ، اگر کوئی ہو، جس کے تحت اس پر دستخط کیے گئے ہیں۔ یا اس کی نوٹیریل تصدیق شدہ کاپی، کمپنی کے شیئرز رجسٹرار آفس CorpTec ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، 503-E، جوہر ٹاؤن، لاہور میں اجلاس کے انعقاد کے وقت سے کم از کم 48 گھنٹے پہلے جمع کرائی جائے،

3۔ سی ڈی سی اکاؤنٹ ہولڈرز کو پراکسیز کی تقرری کے لیے سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے سرکلر نمبر 1 مورخہ 26 جنوری 2000 میں مزید بیان کردہ مندرجہ ذیل گائیڈ لائنز پر عمل کرنا ہوگا۔

(الف) فرد یا اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر ہونے کی صورت میں جس کی سیکیورٹیز گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن کی تفصیلات قواعد وضوابط کے مطابق اپلوڈ ہوں انہیں کمپنی کی جانب سے دی گئی ہدایات کی روشنی میں پراکسی فارم جمع کرانا ہوگا۔

(ب) مختارنامے پر بطور گواہان دو افراد کے دستخط ہونے چاہئیں اور ان کے نام، پتے اور کمپیوٹرائزڈ قومی شناختی کارڈ نمبرز فارم پر درج ہوں۔

(ج) بینیفیشل اونرز (مستفید ہونے والے فرد) کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ نقول بھی منسلک کرنی ہوگی جسے نائب مختارنامے کے ہمراہ پیش کرے گا۔

(د) اجلاس کے وقت نائب کو اپنا اصل کمپیوٹرائزڈ قومی کارڈ یا اصل پاسپورٹ پیش کرنا ہوگا۔

(و) کارپوریٹ ادارہ ہونے کی صورت میں بحیثیت ممبر (رکن)، بورڈ آف ڈائریکٹرز کی قرارداد/ مع نامزد کردہ شخص/اٹارنی کے نمونہ دستخط پاور آف اٹارنی (اگر پہلے فراہم نہ کیے گئے ہوں) پراکسی فارم (مختارنامے) کے ہمراہ کمپنی کو جمع کرانا ہوگا۔

CONSENT FORM FOR ELECTRONIC TRANSMISSION OF ANNUAL REPORT AND NOTICE OF AGM

M/s Corptec Associates (Private) Limited
503-E Johar Town, Lahore
Email: info@corptec.com.pk

SUBJECT: CONSENT FORM FOR ELECTRONIC TRANSMISSION OF ANNUAL REPORT AND NOTICE OF AGM

Dear Sirs,

I/we, being the shareholder(s) of Shakarganj Limited ("Company"), do hereby consent and authorize the Company for electronic transmission of the Audited Annual Financial Statements of the Company along with Notice of Annual General Meeting via the Email provided herein below and further undertake to promptly notify the Company of any change in my Email address.

I understand that the transmission of Annual Audited Financial Statements of the Company along with Notice of Annual General Meeting via the Email shall meet the requirements as mentioned under the provisions of Companies Act, 2017.

1. Name of Shareholder(s) : ____________________

____

2. Fathers / Husband Name:____________________

____

3. CNIC: ____________________

____

4. NTN: ____________________

____

5. Participant ID / Folio No: ____________________

____

6. E-mail address: ____________________

____

7. Telephone: ____________________

____

8. Mailing address:____________________

____

Date: ____________________
Signature:
(In case of corporate shareholders,
the authorized signatory must sign)

سالانہ رپورٹ اوراے جی ایم نوٹس کی

الیکٹرانک ٹرانسمیشن کی اجازت کا فارم

میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ

503-E، جوہر ٹاؤن، لاہور

ای میل info@corptec.com.pk

عنوان: سالانہ رپورٹ اوراے جی ایم نوٹس کی الیکٹرانک ٹرانسمیشن کی اجازت کا فارم

جنابِ عالی:

میں/ہم بذریعہ ہذا شکر گنج لمیٹڈ (''کمپنی'') کا/کے شیئر ہولڈر (ہولڈرز) ہونے کے ناطے کمپنی کے آڈٹ شدہ مالیاتی اسٹیٹمنٹس بمع سالانہ اجلاسِ عام کے نوٹس کی، ذیل میں دیئے گئے ای میل کے ذریعے الیکٹرانک ٹرانسمیشن کی اجازت اور اختیار دیتا ہوں/دیتے ہیں اور اپنے ای میل ایڈریس میں کسی تبدیلی کی کمپنی کو فوری طور پر اطلاع دینے کا وعدہ کرتا ہوں/کرتے ہیں۔

میں سمجھتا ہوں کہ کمپنی کے آڈٹ شدہ مالیاتی اسٹیٹمنٹس بمع سالانہ اجلاسِ عام کے نوٹس کی ای میل کے ذریعے ٹرانسمیشن سے ان تقاضوں کی تکمیل ہوگی جن کا کمپنیز ایکٹ، 2017ء کی دفعات کے تحت ذکر کیا گیا ہے۔

1۔ شیئر ہولڈر (ہولڈرز) کا نام..............................

2۔ والد/شوہر کا نام..............................

3۔ سی این آئی سی..............................

4۔ این ٹی این..............................

5۔ پارٹیسپنٹ آئی ڈی/فولیو نمبر..............................

6۔ ای میل ایڈریس ....

7۔ فون نمبر:..............................

8۔ میلنگ ایڈریس: ....

....

دستخط

(کارپوریٹ شیئر ہولڈرز کی صورت میں،
مجاز دستخط کنندہ لازمی دستخط کرے)

تاریخ:..............................

STANDARD REQUEST FORM FOR HARD COPIES OF ANNUAL AUDITED ACCOUNTS

1. Name of member: ____

____

2. CNIC No/Passport No: ____

____

3. Folio/CDC Participant ID/ Sub a/c/Investor a/c: ______________________________

____

4. Registered Address: ____

____

____

I/We hereby request you to provide me/us a hard copy of the Annual Report of Shakarganj Limited for the year ended 30 September ____at my above mentioned registered address instead of CD/DVD/USB. I undertake to intimate any change in the above information through revised Standard Request Form.

Date: Member's Signature:

Note:

This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary
Shakarganj Limited
E-Floor, IT Tower, 73/E-1, Hali Road, Lahore
Email: asif.malik@shakarganj.pk

Chief Executive,
M/s Corptec Associates (Private) Limited
Independent Share Registrar of Shakarganj Limited
503-E, Johar Town, Lahore
Email: info@corptec.com.pk

In case a member prefers to receive hard copies for all the future annual audited accounts, then such preference shall be communicated to the company in writing.

معیاری درخواست فارم برائے سالانہ آڈٹ شدہ حسابات کی ہارڈ کاپیز

ممبر کا نام:..

سی این آئی سی نمبر/ پاسپورٹ نمبر..

فولیو/سی ڈی سی پارٹیسپنٹ آئی ڈی/ سبa/cانویسٹرa/c ....

رجسٹرڈ ایڈریس:..

میں/ ہم آپ سے درخواست کرتا ہوں/ کرتے ہیں کہ مجھے/ہمیں شکر گنج لمیٹڈ کے 30ستمبر ....کو ختم ہونے والے سال کی سالانہ رپورٹ کی ہارڈ کاپی، سی ڈی/ ڈی وی ڈی/ یو ایس بی کے بجائے میرے مذکورہ بالا رجسٹرڈ پتے پر فراہم کی جائے۔ میں وعدہ کرتا ہوں کہ میں مذکورہ بالا معلومات میں کسی تبدیلی کی اطلاع نظر ثانی شدہ معیاری درخواست فارم کے ذریعے دوں گا/ دیں گے۔

تاریخ..................................

....

ممبر کے دستخط

نوٹ: یہ معیاری درخواست فارم کمپنی سیکرٹری یا کمپنی کے انڈیپنڈنٹ شیئر رجسٹرار، کسی کے بھی درج ذیل پتے پر بھیجا جا سکتا ہے۔

کمپنی سیکرٹری

شکر گنج لمیٹڈ

Eفلور، آئی ٹی ٹاور،1 E 73، حالی روڈ، لاہور

ای میل: asif.malik@shakarganj.pk

چیف ایگزیکٹو

میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ

انڈیپنڈنٹ شیئر رجسٹرار آف شکر گنج لمیٹڈ

503-E، جوہر ٹاؤن، لاہور

ای میل: info@corpetc.com.pk

اگر کوئی ممبر مستقبل کے تمام سالانہ آڈٹ شدہ حسابات کی ہارڈ کاپیوں کی وصولی کو ترجیح دیتا ہے تو اس ترجیح کے بارے میں کمپنی کو تحریری طور پر مطلع کیا جائے۔

E-DIVIDEND FORM (DIVIDEND PAYMENT THROUGH ELECTRONIC MODE)

The Company Secretary/Share Registrar,

I/We, ______________________________, holding CNIC No. ________________________, being the registered shareholder of the company under folio no. ____________________, state that pursuant the relevant provisions of Section 242 of the Companies Act, 2019 pertaining to dividend payments by listed companies, the below mentioned information relating to my Bank Account for receipt of current and future cash dividends through electronic mode directly into my bank account are true and correct and I will intimate the changes, if any in the above-mentioned information to the company and the concerned Share Registrar as soon as these occur through revised E-Dividend Form.

Title of Bank Account	
Bank Account Number	
IBAN Number	
Bank's Name	
Branch Name and Address	
Cell Number of Shareholder	
Landline number of Shareholder	
Email of Shareholder	

In case of CDC shareholding, I hereby also undertake that I shall update the above information of my bank account in the Central Depository System through respective participant.

Date: Member's Signature:

Note:
This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary
Shakarganj Limited
E-Floor, IT Tower, 73 E 1, Hali Road, Lahore
Email: asif.malik@shakarganj.pk

Chief Executive,
M/s Corptec Associates (Private) Limited
Independent Share Registrar of Shakarganj Limited
503-E, Johar Town, Lahore
Email: info@corptec.com.pk

ای۔ڈیویڈنڈ فارم (الیکٹرانک طریقے سے ڈیویڈنڈ کی ادائیگی)

دی کمپنی سیکرٹری/شیئر رجسٹرار،

میں/ہم..................حامل سی این آئی سی نمبر..................فولیو نمبر..................کے تحت کمپنی کے رجسٹرڈ شیئر ہولڈر ہونے کی حیثیت سے بیان کرتا ہوں کہ لسٹیڈ کمپنیوں کی طرف سے ڈیویڈنڈ کی ادائیگیوں سے متعلق کمپنیز ایکٹ، 2017ء کے سیکشن 242 کی متعلقہ دفعات کی رُو سے موجودہ اور مستقبل کے کیش ڈیویڈنڈز کی الیکٹرانک طریقے سے براہِ راست میرے بینک اکاؤنٹ میں وصولی کے لئے ذیل میں دی جانے والی معلومات صحیح اور درست ہیں۔ اگر اوپر بیان کردہ معلومات میں کوئی تبدیلی ہوئی تو جیسے ہی یہ تبدیلی ہوگی میں نظر ثانی شدہ ای۔ ڈیویڈنڈ فارم کے ذریعے کمپنی اور متعلقہ شیئر رجسٹرار کو فوری طور پر اس کی اطلاع دوں گا۔

ٹائٹل آف بینک اکاؤنٹ	
بینک اکاؤنٹ نمبر	
آئی بی اے این نمبر	
بینک کا نام	
برانچ کا نام اور ایڈریس	
شیئر ہولڈر کا سیل نمبر	
شیئر ہولڈر کا لینڈ لائن نمبر	
شیئر ہولڈر کا ای میل	

سی ڈی سی شیئر ہولڈنگ کی صورت میں، میں بذریعہ ہذا یہ وعدہ بھی کرتا ہوں کہ متعلقہ پارٹیسپنٹ کے ذریعے سنٹرل ڈیپازٹری سسٹم میں اپنے بینک اکاؤنٹ کی مذکورہ بالا معلومات کو اپ ڈیٹ کروں گا۔

تاریخ..................................... ....

ممبر کے دستخط

نوٹ: یہ معیاری درخواست فارم کمپنی سیکرٹری یا کمپنی کے انڈیپینڈنٹ شیئر رجسٹرار، کسی کے بھی درج ذیل پتے پر بھیجا جاسکتا ہے۔

کمپنی سیکرٹری
شکر گنج لمیٹڈ
E فلور، آئی ٹی ٹاور، 1 73 E، حالی روڈ، لاہور
ای میل: asif.malik@shakarganj.pk

چیف ایگزیکٹو
میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ
انڈیپینڈنٹ شیئر رجسٹرار آف شکر گنج لمیٹڈ
E-503، جوہر ٹاؤن، لاہور
ای میل: info@corpetc.com.pk

FORM FOR VIDEO CONFERENCE FACILITY

The Company Secretary/Share Registrar,

I/we,____________________________, of ______________________, being the registered shareholder(s) of the company under Folio No(s). ___________________/ CDC Participant ID No.___ and Sub Account No.___ CDC Investor Account ID No., and holder of ____________ Ordinary Shares, hereby request for video conference facility at __________________ for the Annual General Meeting of the Company to be held on _________________.

Date: Member's Signature:

Note:
This Standard Request Form may be sent at either of the following addresses of the Company Secretary or Independent Share Registrar of the Company:

Company Secretary
Shakarganj Limited
E-Floor, IT Tower, 73 E 1, Hali Road, Lahore
Email: asif.malik@shakarganj.pk

Chief Executive,
M/s Corptec Associates (Private) Limited
Independent Share Registrar of Shakarganj Limited
503-E, Johar Town, Lahore
Email: info@corptec.com.pk

فارم برائے ویڈیو کانفرنس سہولت

دی کمپنی سیکرٹری/شیئر رجسٹرار،

.................سے تعلق رکھنے والا/ والے، میں/ہم.................................حامل..............................عام حصص فولیو نمبر (نمبرز)..................................../سی ڈی سی پارٹیسپنٹ
ID نمبر.............................اور سب اکاؤنٹ نمبر.....................سی ڈی سی انویسٹرا کاؤنٹ ID نمبر.................کے تحت کمپنی کے رجسٹرڈ شیئر ہولڈر (ہولڈرز) کی حیثیت سے
.... کو منعقد ہونے والے کمپنی کے سالانہ اجلاسِ عام کے لئے..............................میں ویڈیو کانفرنس سہولت کی درخواست کرتا ہوں/کرتے ہیں۔

تاریخ.....................................   ....

ممبر کے دستخط

نوٹ: یہ معیاری درخواست فارم کمپنی سیکرٹری یا کمپنی کے انڈیپنڈنٹ شیئر رجسٹرار، کسی کے بھی درج ذیل پتے پر بھیجا جاسکتا ہے۔

کمپنی سیکرٹری

شکر گنج لمیٹڈ

E فلور، آئی ٹی ٹاور، 1 E 73، حالی روڈ، لاہور

ای میل: asif.malik@shakarganj.pk

چیف ایگزیکٹو

میسرز کارپ ٹیک ایسوسی ایٹس (پرائیویٹ) لمیٹڈ

انڈیپنڈنٹ شیئر رجسٹرار آف شکر گنج لمیٹڈ

E-503، جوہر ٹاؤن، لاہور

ای میل: info@corpetc.com.pk

Shakarganj Limited

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Telephone: (042) 111 111 765
Fax: (042) 3578 3811