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**YD**

A YOUSUF DEWAN COMPANY

COMPANY INFORMATION

EXECUTIVE DIRECTORS

Muhammad Baqir Jafferi - Chief Executive Officer
Ghazanfar Baber Siddiqui

NON-EXECUTIVE DIRECTORS

Haroon Iqbal - Chairman Board of Director
Syed Muhammad Anwar
Ishtiaq Ahmed
Muhammad Naeemuddin Malik

INDEPENDENT DIRECTOR

Aziz-ul-Haque

COMPANY SECRETARY

Muhammad Hanif German

CHIEF FINANCIAL OFFICER

Muhammad Ilyas Abdul Sattar

AUDITORS

Feroze Sharif Tariq & Co. - Chartered Accountants

TAX ADVISOR

Sharif & Company - Advocates

LEGAL ADVISOR

A.K. Brohi & Company Advocates

AUDIT COMMITTEE

Aziz-ul-Haque
Haroon Iqbal
Syed Muhammad Anwar

Chairman
Member
Member

HUMAN RESOURCE & REMUNERATION COMMITTEE MEMBERS

Aziz-ul-Haque
Haroon Iqbal
Muhammad Baqir Jafferi

Chairman
Member
Member

BANKERS

National Bank of Pakistan
Summit Bank Limited
Habib Bank Limited
Standard Chartered Bank Limited
Bank of Khyber Limited

NIB Bank Limited
Meezan Bank Limited
Silk Bank Limited
Bank of Punjab Limited

REGISTERED OFFICE:

7th Floor, Finance & Trade Centre, Block-A,
Shahrah-e-Faisal, Karachi, Pakistan.

CORPORATE OFFICE

Block-A, 2nd Floor
Finance & Trade Centre
Shahrah-e-Faisal, Karachi, Pakistan.

SHARE REGISTRAR / TRANSFER AGENT

BMF Consultants Pakistan (Pvt.) Limited
Annum Estate Building, Room No. 310 & 311,
3rd Floor, 49, Darul Aman Society.
Main Shahrah-e-Faisal, Adjacent Baloch Colony,
Karachi, Pakistan.

FACTORY

Jillaniabad, Budho Talpur,
Taluka: Mirpur Bathoro
District: Sujawal Sindh, Pakistan.

WEBSITE

www.yousufdewan.com

The Vision Statement

"The vision of Dewan Sugar Mills Limited is to become leading market player in the Sugar Sector".



Mission Statement

The Mission of Dewan Sugar Mills Limited is to be the finest Organisation, and to conduct business responsibly and in a straight forward way.

Our basic aim is to benefit the customers, employees and shareholders and to fulfill our commitments to the society. Our hallmark is honesty, innovation, teamwork of our people and our ability to respond effectively to change in all aspects of life including technology, culture and environment.

We will create a work environment, which motivates, recognizes and rewards achievements at all levels of the Organisation because

In Allah We Believe & In People We Trust

We will always conduct ourselves with integrity and strive to be the best.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty Seventh Annual General Meeting of **Dewan Sugar Mills Limited** ("**DSML**" or "**the Company**") will be held on **Monday, January 28, 2019, at 11:00 a.m.** at Dewan Cement Limited Factory Site, at Deh Dhando, Dhabeji, District Malir, Karachi, Pakistan; to transact the following businesses upon recitation from Holy Qur'aan and other religious recitals:

1. To confirm the minutes of the preceding Annual General Meeting of the Company held on Thursday, January 25, 2018;
2. To receive, consider, approve and adopt the annual audited financial statements of the Company for the year ended September 30, 2018, together with the Directors' and Auditors' Reports thereon;
3. To appoint the Statutory Auditors' of the Company for the ensuing year, and to fix their remuneration;
4. To consider any other business with the permission of the Chair.

By order of the Board



Muhammad Hanif German
Company Secretary

Karachi: December 27, 2018

NOTES:

1. The Share Transfer Books of the Company will remain closed for the period from January 21, 2019 to January 28, 2019 (both days inclusive).
2. Members are requested to immediately notify change in their addresses, if any, at our Shares Registrar Transfer Agent BMF Consultants Pakistan (Private) Limited, located at Annum Estate Building, Room No. 310 & 311, 3rd Floor, 49 Darul Aman Society, Main Shahrah-e-Faisal, Adjacent Baloch Colony Bridge, Karachi, Pakistan.
3. A member of the Company entitled to attend and vote at this meeting, may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies, in order to be effective, must be received by the Company at the above-said address, not less than 48 hours before the meeting.
4. CDC Account holders will further have to observe the following guidelines, as laid down in Circular 01 dated January 20, 2000, issued by the Securities and Exchange Commission of Pakistan:
 - a) **For Attending Meeting:**
 - i) In case of individual, the account holder or sub-account holder, and/or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate his/her identity by showing his/her original National Identity Card (CNIC), or original passport at the time of attending the meeting.
 - ii) In case of corporate entity, the Board of Directors' resolution/power of attorney, along with the specimen signature of the nominee, shall be produced (unless it has been provided earlier) at the time of meeting.
 - b) **For Appointing Proxies:**
 - i) In case of individual, the account holder or sub-account holder, and/or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall submit the proxy form as per the above requirements.
 - ii) Two persons, whose names, addresses, and CNIC numbers shall be mentioned on the form, shall witness the proxy.
 - iii) Attested copies of CNIC or passport of the beneficial owners and proxy shall be furnished along with the proxy form.
 - iv) The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
 - v) In case of corporate entity, the Board of Directors' resolution/power of attorney, along with the specimen signature of the nominee, shall be produced (unless it has been provided earlier) along with the proxy form to the Company.



CHAIRMAN'S REVIEW

I am pleased to present a report on the overall performance of the Board of Directors and effectiveness of the role played by the board in achieving the Company's objectives. The Board of Directors is responsible for the management of the Company, which formulates all significant policies and strategies. The Board is governed by relevant laws & regulations and its obligation, rights, responsibilities and duties are as specified and prescribed therein.

The Board of Directors comprises of individuals with diversified knowledge who endeavor to contribute towards the aim of the Company with the best of their abilities.

An annual self evaluation of the Board of Directors of the Company is carried out. The purpose of the evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company.

During financial year ended September 30, 2018, four board meetings were held. The Board of Directors of the Company received agendas and supporting material in advance prior to the Board and its committee meetings. The non-executive and independent directors are equally involved in important decisions. The Board's overall performance and effectiveness for the year under review was satisfactory.

Haroon Iqbal
Chairman Board of Director

DIRECTORS' REPORT 2018

IN THE NAME OF ALLAH; THE MOST GRACIOUS AND MERCIFUL
IF YE GIVE THANKS, I WILL GIVE YOU MORE (HOLY QURAN)

On behalf of the Board of Directors, it is my privilege to welcome you for participating in the 37th Annual General meeting. The Company's Annual financial statements for the year ended 30th September 2018 are being presented.

FINANCIAL RESULTS

	2018	2017
Net Sales	4,738,180,041	2,984,804,024
Gross (Loss)	(264,375,496)	(480,120,548)
(Net Loss))after tax	(787,798,844)	(755,906,632)
Key performance indicators		
- G.P % to sales	(5.58%)	(16.08%)
- (Net Loss) % to sales	(16.63%)	(25.32%)
- EPS	(10.37)	(11.36)

PERFORMANCE REVIEW OF THE COMPANY IN SEASON 2017-2018

PLANT PERFORMANCE

Sugar Operations:

Crushing year 2017-18 the plant operated up to March 29, 2018 for (121days) as against operation of 99 days in the preceding season. The performance is as under.

Operation	2018	2017
Sugarcane crushed in M. Tons	507,595	507,088
Sugar produced in M. Tons	53,360	52,020
Average Sugar recovery %	10.52%	10.25%

Operating loss for the period under review was Rs. 671.339 million as compared to loss of Rs.668.271 million before charging financial expenses. During the year the bumper production and carryover stock of previous year price of white refined sugar remain depressed in domestic and international market ultimately incurred heavy loss. In order to bring out the industry from this adverse situation Federal and Sindh Government allowed export with handsome incentive. The Agriculture, Supply and Price Department Government of Sindh issued Notification No. 8(291)SO(Ext:)/2017 dated 02/01/2018 and introduced criteria for eligibility to export of sugar and get cash freight subsidy of Rs.9.30 per kg by Government of Sindh and Rs.10.70 per kg by Federal Government.

Keeping in view the strict Criteria for export which was never introduced in past, the Company could not export. The Company was deprived from this Government incentive otherwise operation of plant and result would have been much better

Distillery Operations

The plant produced 32,945 MT of industrial alcohol, as compared to 23,439 MT of industrial alcohol last year, which show approximately 40% improvement in production. This was due to timely procurement of raw material on viable prices and delaying maintenance period for achieving better results.



The period under review operating profit of distillery unit was Rs.116.342 million as compared to operating profit of Rs.12.367 million which shows significant improvement. We hope that the improvement in profitability of this segment will further increase due to timely procurement of raw material on minimum prices and taking some cost saving measure to bring down cost of production. Further increase in profitability of this unit is dependent upon Prices of ethanol which has been globally decreasing for couples of years, but prevailing fuel prices trend is encouraging and we foresee prices will increase to some extent.

Board & Panel Operations

Chip Board plant produced 100,310 sheets during the period under review as compared to last year 144,540 sheets. This unit is dependent on supply of bagasse, which is not sufficient due to sugar segment short crushing. The procurement of main raw material from out-side is not viable. Management is focused on producing value added products and "A" quality of sheets to compete in the market. We are confident that in coming future this segment will be in positive.

Polypropylene Operations

Due to unviable situation this plant is un-operative.

The company defaulted in repayment of restructured loan installments due to financial crunch, because of non-availability of working capital lines from banks.

The company has not accounted for markup of Rs.645.074 million, because the management is in the discussion of restructuring with Banks/Financial Institutions for its long term obligations. The management is confident that the restructuring proposal will be finalized, and the markup will not be payable. Therefore the Company has not made any provision for markup as the markup will not be payable.

The auditors have expressed adverse opinion on the company's ability to continue as a going concern. However the management is of the view that the company's restructuring proposals will be accepted by the lenders so preparation of the financial statement on going concern assumption is justified.

FUTURE OUTLOOK OF SUGAR INDUSTRY FOR 2018-2019

Nowadays Sugar Industry is a loss incurring business despite 2nd important agro based industry after cotton which provides employment as well as economic activities for rural population and has great impact on economy of the country, besides there are many by products such as Molasses, bagasse, which are used in many industries such as paper board, ethanol, petroleum, Food & beverage. Unfortunately having such importance this industry is near to collapse due to underutilization of crushing capacity specially in lower sindh where per acre yield and recovery of sugar is declining with the passage of time, which will effect cost of production and also earning of both growers as well as manufacturer. This leads to heavy loss, reduction in government exchequer, foreign exchange earnings and facing problem of rising in unemployment.

Keeping in view the above facts the future of the industry depends on the consistent policies of the Government in the interest of all stakeholders; Government should take long term steps instead of short term measures to revive this vital industry. Main measures should include:

- Introducing high yielding and high sucrose variety of seeds and technical assistance for improving quantity and quality of crops.
- Increasing cultivation of cane planted area which has nowadays witnessed shrinking.
- Consistent export of refined sugar.
- Helping the millers to maintain sustainable liquidity through various measures and providing export incentives and also fix sale tax rates relationship with prevailing sugar market rate.
- Comparison of cane support prices with refined sugar.
- Taking steps for avoiding middlemen which makes sugar costlier.

The above measures will result in improving utilization of surplus crushing capacity of industry with higher recovery and keeping down cost of production on viable position which enable the country and industry for earning foreign exchange after fulfilling domestic requirement. Increase in Yield per hector, improvement in recovery and other measure will also help to maintain the cost on minimum level and improve the standard of leaving of our rural area population.

The Sindh Agriculture Department notified sugar cane prices on 8th December 2018 for the season 2018-19 of Rs.182/- per 40 kg., in addition to payment of quality premium which will be paid at the end of season on actual determined sucrose recovery over and above 8.7% 50 paisa per unit. Industry is not satisfied with this decision because of current prevailing gross rate of white refined sugar at Rs.49/- which is at the lowest level and after excluding government levy, the sugar industry will not even have realize the cost of raw material leaving aside other overhead expenses.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK:

- The financial statements for the year ended September 30, 2018, prepared by the management of the company, present fairly its state of affairs, the results of its operations, cash flow and changes in equity;
- Proper books of accounts of the company have been maintained;
- Appropriate accounting policies have been consistently applied in preparation of financial statements for the year ended September 30, 2018 and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards (IFRS) as applicable in Pakistan, have been followed in preparation of financial statements and departure there from, if any, has been adequately disclosed in the financial statements;
- The system of internal control is sound in design and has been effectively implemented and monitored;
- The Management has explained their views in detail regarding the going concern ability of the company in note 1.1 and non-provisioning of mark up in note 17.1 and note 27.3 of the annexed financial statements.
- There has been no material departure from the best practice of the corporate governance, as detailed in the listing regulations of the stock exchange of Pakistan;
- Summarized key operating and financial data of last six years is enclosed with the report;
- All taxes have been paid and nothing is outstanding, except as disclosed in note 21 of the annexed audited financial statement;
- The fair value of the Provident Fund's Investment as at June 30, 2018 was Rs.60.449 million (2017: Rs.46.559) million.
- The Board of Directors comprise of individuals with diversified knowledge who endeavor to contribute towards the aim of the Company with the best of their abilities. During the year six meetings of the Board were held. The attendance of directors was as follows;

Members of the Board of Directors	Number of meetings attended
Mr. Haroon Iqbal	6
Mr. Ghazanfar Babar Siddiqui	5
Syed Muhammad Anwar	6
Mr. Aziz-ul Haque	6
Mr. Ishtiaq Ahmed	6
Mr. Muhammad Naeemuddin Malik	6
Mr. Muhammad Baqar Jafferri	6

**AUDIT COMMITTEE MEETING**

During the year four meetings of the audit committee were held with the chair of Mr. Aziz-ul-Haque.

Members' attendance in these meetings is as under:

Members of the Audit Committee	Number of meetings attended
Mr. Aziz-ul Haque	4
Mr. Haroon Iqbal	4
Syed Muhammad Anwar	4

HUMAN RESOURCE AND REMUNERATION COMMITTEE MEETING

During the year one meeting of the human resource committee with the chair of Mr. Aziz-ul Haque was held.

Members of the Human Resource	Number of meetings attended
Mr. Aziz-ul Haque	1
Mr. Haroon Iqbal	1
Mr. Muhammad Baqar Jafferi	1

AUDITORS:

The present auditors, M/s. Feroze Sharif Tariq & Co, Chartered Accountants, would retire at the conclusion of the current Annual General meeting and have offered themselves for re-appointment.

CONTRIBUTION TO NATIONAL EXCHEQUER

During the year, your Company has made contribution to the national exchequer is Rs.430.801 Million in under the head of Sales Tax, Custom Duty, and Income Tax and other statutory levies.

ENVIRONMENT

Environmental protection issues are always considered on higher priority. Your Company produces all its products from renewable crops and raw materials and does not believe in making profit at the cost of damage to our environment. Energy conservation and aiming for 'zero' wastes are our key environment friendly policies. Company is regularly maintaining the existing greenery and improving environment at the plants and we believe that natural environment supports all human activity. Effluent water is treated before its disposal and at work safety equipment is provided to the employees to prevent any unwarranted incident and first aid equipment and ambulance is also in place to meet such situations.

DIVIDEND

The management has decided not to declare any dividend due to enormous fund requirement.

EARNING PER SHARE (EPS)

The EPS is Rs (10.37)

PATTERN OF SHAREHOLDING

The prescribed Pattern of shareholdings of the Company is attached at the end of this report.

VOTE OF THANKS

The Board places on record its gratitude to its valued shareholders, Federal and Provincial Government functionaries, banks, financial institutions and farmers whose Co-operation, continued support and patronage have enabled the Company to perform well.

The Board also expresses its thanks for the valuable teamwork, loyalty and laudable efforts rendered by the executives, staff members and workers of your Company, during the year under review and wish to Place on record its appreciation for the same.

CONCLUSION

In conclusion, we bow beg and pray to Almighty Allah, Rahman-o-Rahim, in the name of our beloved Prophet, Mohammad, may Allah peace be upon him, for continued showering of His Blessings, Guidance, Strength, Health and Prosperity on our Company, Country and Nation; and also pray to Almighty Allah to bestow peace, harmony, brotherhood and unity in true Islamic spirit to the whole of Muslim Ummah, Ameen Summa-Ameen.

LO-MY LORD IS INDEED HEARER OF PRAYER (AL-QURAN)
For and on behalf of the Board of Directors



Haroon Iqbal
Chairman Board of Director

Date: December 26, 2018

Place: Karachi



FINANCIAL HIGHLIGHTS

(Rupees in Thousand)

	2018	2017	2016	2015	2014	2013
TURNOVER	5,122,427	3,171,736	2,711,312	4,677,375	5,817,264	4,676,223
LESS GOVT. LEVY & COMMISSION	384,247	186,932	143,684	235,009	242,039	117,734
SALES (NET)	4,738,180	2,984,804	2,567,628	4,442,366	5,575,225	4,558,489
GROSS PROFIT/(LOSS)	(264,375)	(480,121)	(602,887)	(26,886)	2,808	148,383
PROFIT/(LOSS) BEFORE TAX	(817,979)	(773,310)	(772,009)	(448,958)	(99,180)	60,750
PROFIT/(LOSS) AFTER TAX	(787,799)	(755,907)	(695,893)	(454,131)	(109,768)	86,572
GROSS ASSETS EMPLOYED	7,673,517	6,426,362	5,195,790	5,267,983	5,878,395	6,040,745
CURRENT ASSETS	2,205,784	2,853,746	1,364,678	2,012,000	2,554,647	2,557,255
SHAREHOLDERS EQUITY	1,077,858	(69,232)	667,663	73,415	103,631	96,493
LONG TERM DEBTS & DEFERRED LIABILITIES	1,423,940	1,482,362	1,948,470	1,973,664	2,562,884	3,350,769
CURRENT LIABILITIES	5,171,718	5,013,232	2,579,656	2,389,859	2,310,504	1,972,364
GROSS PROFIT/(LOSS)(%)	(5.58)	(16.09)	(23.48)	(0.61)	0.05	3.26
CURRENT RATIO	0.43	0.57	0.53	0.84	1.11	1.30
NUMBER OF SHARES ISSUED	91,511,992	66,511,992	66,511,992	66,511,992	36,511,992	36,511,992
EARNINGS PER SHARE	(10.37)	(11.36)	(10.46)	(8.43)	(3.01)	2.37

PRODUCTION

SUGAR -	VOLUME IN (TONS)	53,360	52,020	23,365	52,405	64,600	40,245
POLYPROPYLENE-	VOLUME IN (TONS)	-	-	404	131	-	-
BOARD & PANEL-	NO.OF SHEETS	100,310	141,450	86,180	173,450	131,670	155,590
ETHANOL-	VOLUME IN (TONS)	32,945	23,469	18,529	24,062	29,133	26,826

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATION, 2017 FOR THE YEAR ENDED SEPTEMBER 30, 2018

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

1. The total number of directors are seven as per the following:
 - a. Male: 7
 - b. Female: -
2. The composition of board is as follows:

a) Independent Director	Aziz-ul-Haque
b) Other Non-executive Directors	Haroon Iqbal Syed Muhammad Anwar Ishtiaq Ahmed Muhammad Naeem Uddin Malik
c) Executive Directors	Ghazanfar Baber Siddiqui Muhammad Baqir Jafferri
3. Three Directors have confirmed that none of them is serving as director on more than five listed companies, including this company, whereas, four directors are serving as director in more than five listed Yousuf Dewan Companies.
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. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decision on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with requirements of Act and the regulations with respect to frequency, recording and circulating minutes of meeting of board.
8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. Five Directors are qualified under the directors training program. During the year the board did not arrange training program for its directors.
10. The board has approved appointment of CFO, 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. CFO and CEO duly endorsed the financial statements before approval of the board.



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

- | | |
|----------------------------------|--|
| a) Audit Committee | Aziz-ul-Haque - Chairman
Syed Muhammad Anwar- Member
Haroon Iqbal - Member |
| b) HR and Remuneration Committee | Aziz-ul-Haque - Chairman
Haroon Iqbal - Member
Muhammad Baqir Jafferri -Member |

Subsequent to September 30, 2018 ,the Chairman of the HR and Remuneration Committee has been changed and now independent director has been appointed as Chairman of the Committee.

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

14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following:

- | | |
|----------------------------------|--|
| a) Audit Committee | 4 quarterly meetings during the financial year ended September 30, 2018 |
| b) HR and Remuneration Committee | 1 annual meeting held during the financial year ended September 30, 2018 |

15. The board has set up an effective internal audit function. The staffs 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 ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

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 other requirements of the Regulations have been complied with.

Date : December 26, 2018
Place : Karachi

Haroon Iqbal
Chairman Board of Director

FEROZE SHARIF TARIQ & CO.

FEROZE SHARIF TARIQ & CO.
Chartered Accountants
4-N/4, BLOCK 6, P.E.C.H.S.,
KARACHI 75400

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

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of Dewan Sugar Mills Limited for the year ended September 30, 2018 in accordance with the requirements of regulation 40 of the Regulations.

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

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

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

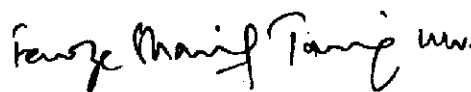
Following instances of Non-compliances with the requirements of the Code were observed which are not stated in the Statement of Compliance.

- a) The Composition of board includes Mr. Aziz ul Haque, as a independent director, whereas in our opinion he does not meet the criteria of independence due to his cross director ship in associated companies;
- b) The chairman of Audit committee Shall be an independent Director where as in our opinion Mr. Aziz ul Haque does not meet the Criteria of independence due to the reason referred in para (a) above.
- c) The chairman of HR and Remuneration Committee Shall be an independent Director where as in our opinion Mr. Aziz ul Haque does not meet the Criteria of independence due to the reason referred in para (a) above.

Based on our review, except for the above instances of non-compliance, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended September 30, 2018.

Furthermore, we highlight that four directors of the company are serving as directors in more than five listed Companies as reflected in the note 3 in the statement of compliance.

Audit Engaging Partner: Mohammad Tariq
Dated: December 26, 2018
Place: Karachi



CHARTERED ACCOUNTANTS

**FEROZE SHARIF TARIQ & CO.**

FEROZE SHARIF TARIQ & CO.
Chartered Accountants
4-N/4, BLOCK 6, P.E.C.H.S.,
KARACHI 75400

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(+9221) 34522734

Facimile: (+9221) 34540891

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

Report on the Audit of the Financial Statements

Adverse Opinion

We have audited the annexed financial statements of Dewan Sugar Mills Limited (the Company), which comprise the statement of financial position as at September 30, 2018, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters described in Basis for Adverse opinion Paragraph, the statement of financial position, the statement of profit or loss and other 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 September 30, 2018 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Adverse Opinion

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

- a) The company defaulted in repayment of installments of restructured liabilities, hence as per clause 10.2 of the Compromise Agreement of the company, the entire outstanding restructured liabilities of Rs. 2.348 billion (note 17.1 to the financial Statements) along with markup of Rs. 896.875 million (Rs. 471.824 million eligible for waiver mark up and Rs. 425.051 million outstanding mark up note 17.1 to the financial Statements) become immediately payable, therefore provision for markup should be made in these financial statements and the long term financing of Rs. 136.306 million should be classified under current liabilities.
- b) In our opinion, since the proposal for restructuring has not been accepted by the lenders, the company should made the provision of mark up in the financial statements. Had the provisions for the mark up, as discussed in preceding paragraph (a), been made in these financial statements, the loss after taxation would have been higher by Rs. 612.074 million and markup payable would have been higher and shareholders' equity would have been lower by Rs. 612.074 million.
- c) The financial Statements which indicates that as of September 30, 2018 the company incurred a loss after taxation of Rs. 787.799 (2017: Rs. 755.906) million and as of that date it has accumulated losses amounting to Rs. 2.529 billion (2017: Rs. 1.954 billion) and its current liabilities exceeded its current assets by Rs. 2.966 billion (2017: Rs. 2.160 billion) without providing markup of Restructured and other liabilities and as refer in above para (a) and (b). The Company has defaulted in repayments of earlier restructured liabilities as disclosed in para (a) above. Further, the short term finance facilities had expired and not renewed by the banks, therefore the company not utilizing its full capacity due to working capital constraints. Further, restructuring proposal had not been accepted by the lenders till the reporting date. These conditions lead us to believe that the going concern assumption used in preparation of these financial statements is inappropriate; consequently the assets and liabilities should have been stated at their realizable and settlement amounts respectively.

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Key Audit Matters

Except for the matter described in the Basis for Adverse Opinion section, we have determined, Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matters:

S. No.	Key Audit Matters	How the matter was addressed in our audit
1.	<p>As stated in note 2.1, 2.2 and 2.5.2 to the annexed financial statements, the fourth schedule to the Companies Act, 2017 became applicable to the Company for the first time for the preparation of these annexed financial statements.</p> <p>The Companies Act, 2017 has also brought certain changes with regard to preparation and presentation of the annual financial statements of the Company.</p> <p>As part of this transition to the requirements, the management performed a gap analysis to identify differences between the previous financial reporting framework and the current financial reporting framework and as a result certain changes were made in the Company's annexed financial statements which are included in notes 5.1(c), 26, 36, 39, 41 and 42 to the annexed financial statements.</p> <p>In view of the extensive impacts in the annexed financial statements due to first time application of the fourth schedule to the Companies Act, 2017, we considered it as a key audit matter.</p>	<p>We reviewed and understood the requirements of the fourth schedule to the Companies Act, 2017. Our audit procedures included the following:</p> <ul style="list-style-type: none"> Considered the management's process to identify the additional disclosures required in the Company's annexed financial statements. Obtained relevant underlying supports for the additional disclosures and assessed their appropriateness for the sufficient audit evidence. Verified on test basis the supporting evidence for the additional disclosures and ensured appropriateness of the disclosures made.
2.	<p>Investment in associated company (Refer to notes 2.1 and 11 to the financial statements) The company has changed its accounting policy relating to presentation and measurement/ valuation of investment in associates from fair value to Equity method as required by International Accounting standard 28 as a consequence of the application of the IAS with retrospective effect. The impact of the said changes in accounting policy has been disclosed in note 11 to the accompanying financial statements.</p> <p>In view of the significant change in accounting policy, we consider it as key audit matter.</p>	<p>In respect of change for the accounting policy and presentation of Investment in associate as referred to note 11 to the accompanying financial statements, we assessed the accounting implications in accordance with applicable financial reporting standards and evaluated its application in the context of the Company.</p>

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

Management is responsible for the other information. The other information comprises the information in the annual report including, in particulars, the chairman's review, directors report, financial and business highlights, but does not include the financial statements and our auditor's reports thereon.

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Accounting and Reporting Standards as applicable in Pakistan and 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.

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- 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 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit except for the matter discussed in basis for adverse opinion section, we further report that in our opinion:

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

The engagement partner on the audit resulting in this independent auditor's report is Mohammad Tariq.

Audit Engaging Partner: Mohammad Tariq
Dated: December 26, 2018
Place: Karachi



CHARTERED ACCOUNTANTS

**YD**

A YOUSUF DEWAN COMPANY

STATEMENT OF FINANCIAL POSITION**AS AT SEPTEMBER 30, 2018**

		September, 30 2018	Restated September, 30 2017	Restated September, 30 2016
ASSETS				
NON-CURRENT ASSETS	Notes		(Rupees)	
Property, Plant and Equipment	5	5,467,732,088	3,572,615,748	3,831,111,628
CURRENT ASSETS				
Stores, Spares and Loose Tools	6	213,435,671	241,491,145	315,456,859
Stock-in-Trade	7	1,467,636,506	1,871,974,090	242,821,045
Trade Debts - Unsecured, Considered Good	8	32,774,163	81,471,047	82,613,340
Loans, Advances and other Receivable - Unsecured, Considered Good	9	309,334,184	527,277,769	632,484,310
Trade Deposits, Short-Term Prepayments and Current Balances with Statutory Authorities	10	12,003,947	12,509,121	13,840,251
Income Tax Refunds and Advances		80,012,484	87,488,207	64,999,868
Short term Investment - Related Party	11	-	-	-
Cash and Bank Balances	12	90,587,518	31,534,730	12,462,276
		2,205,784,473	2,853,746,109	1,364,677,949
TOTAL ASSETS		7,673,516,561	6,426,361,857	5,195,789,577
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Authorized Capital				
130,000,000 (2017: 70,000,000) Ordinary Shares of Rs. 10/- each		1,300,000,000	700,000,000	700,000,000
Issued, Subscribed and Paid-up Capital	13	915,119,920	665,119,920	665,119,920
Reserves and Surplus	14	(2,528,757,159)	(1,954,506,734)	(1,309,209,114)
Surplus on Revaluation of Property, Plant & Equipment (Net)	15	2,691,495,185	1,220,154,668	1,311,752,770
		1,077,857,946	(69,232,146)	667,663,576
NON-CURRENT LIABILITIES				
Sponsors Loan - Unsecured	16	309,206,277	365,097,336	309,161,606
Long Term Finance	17	139,347,625	708,168,921	1,193,704,668
Long Term Interest Payable	18	286,680,272	253,421,840	220,163,408
Liabilities against Assets subject to Finance Lease -Secured	19	6,282,803	10,710,023	12,818,868
Deferred Liabilities	20	682,423,336	144,964,339	212,621,152
CURRENT LIABILITIES				
Trade and Other Payables - Unsecured	21	2,653,530,905	3,041,137,275	1,051,567,454
Interest, Profit, Mark-up accrued on loans and other payables	22	3,715,631	3,337,770	3,294,171
Short Term Finances - Secured	23	202,726,589	215,603,019	206,559,964
Unclaimed Dividend	24	769,543	769,748	769,748
Current portion of Non-Current Liabilities	25	2,222,275,634	1,655,541,846	1,250,623,076
Provision for Taxation	26	88,700,000	96,841,886	66,841,886
		5,171,718,302	5,013,231,544	2,579,656,299
CONTINGENCIES & COMMITMENTS	27	-	-	-
TOTAL EQUITY AND LIABILITIES		7,673,516,561	6,426,361,857	5,195,789,577

The annexed notes form an integral part of these financial statements

Muhammad Baqir Jafferi
Chief Executive Officer**Muhammad Ilyas Abdul Sattar**
Chief Financial Officer**Haroon Iqbal**
Chairman Board of Director

STATEMENT OF PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Notes	2018 (Rupees)	2017
Sales - net	28	4,738,180,041	2,984,804,024
Cost of Sales	29	(5,002,555,537)	(3,464,924,572)
Gross (Loss)		(264,375,496)	(480,120,548)
Administrative and General Expenses	30	(121,809,761)	(125,327,840)
Distribution and Selling Costs	31	(199,213,616)	(92,325,122)
Other Operating Income	32	(147,008,906)	47,410,865
(Loss) from Operations		(732,407,779)	(650,362,645)
Finance Cost	33	(85,570,976)	(78,740,582)
		(817,978,755)	(729,103,227)
Provision for obsolescence and slow moving stocks and stores		-	(44,207,269)
(Loss) before Income Tax		(817,978,755)	(773,310,496)
Taxation	34	30,179,911	17,403,864
(Loss) for the Year (after Income Tax)		(787,798,844)	(755,906,632)
(Loss) per Share - Basic	35	(10.37)	(11.36)

The annexed notes form an integral part of these financial statements



Muhammad Baqir Jafferi
Chief Executive Officer



Muhammad Ilyas Abdul Sattar
Chief Financial Officer



Haroon Iqbal
Chairman Board of Director



STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED SEPTEMBER 30, 2018

	2018	2017
	(Rupees)	
(Loss) for the year	(787,798,844)	(755,906,632)
Other comprehensive Income		
Items that will not reclassify to profit or loss		
Surplus on revaluation of Property , Plant & Equipment	2,310,939,845	-
Related Deferred tax	(643,481,689)	-
	1,667,458,156	-
Effect of change in tax rates on balance of revaluation on Property , Plant & Equipment	-	19,010,910
	879,659,312	(736,895,722)

The annexed notes form an integral part of these financial statements

Muhammad Baqir Jafferi
Chief Executive Officer

Muhammad Ilyas Abdul Sattar
Chief Financial Officer

Haroon Iqbal
Chairman Board of Director

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED SEPTEMBER 30, 2018

	2018	2017
	(Rupees)	
Cash Flow from Operating Activities		
(Loss) before Taxation	(817,978,755)	(773,310,496)
Adjustment for non-cash and other items:		
Depreciation	421,782,997	273,371,986
Amortization of Loans	149,503,462	(45,547,278)
Provision for obsolescence and slow moving items	-	44,207,269
Financial Charges	85,570,976	78,740,582
	656,857,435	350,772,559
	(161,121,320)	(422,537,937)
Changes in Operating Assets and Liabilities		
(Increase) / Decrease in Current Assets		
Stores and Spares	28,055,474	29,758,445
Stock in Trade	404,337,583	(1,629,153,044)
Trade Debts	48,696,884	1,142,293
Loans and Advances	217,943,585	(7,959,624)
Trade Deposits, Prepayments & other balances	505,174	1,331,130
Increase / (Decrease) in Current Liabilities		
Trade and Other Payables	(387,606,370)	2,102,735,985
Short Term Finances	(12,876,430)	9,043,055
	299,055,900	506,898,240
Taxes paid	(57,710,257)	(22,488,340)
Financial Charges Paid	(14,129,203)	(13,655,542)
Gratuity Paid	(1,367,906)	(1,242,038)
Unclaimed Dividend	(205)	--
	(73,207,571)	(37,385,920)
Net Cash Flows from Operating Activities	64,727,009	46,974,383
Cash Flow from Investing Activities		
Fixed Capital Expenditure	(5,959,492)	(14,876,106)
Net Cash Out Flows from Investing Activities	(5,959,492)	(14,876,106)
Cash Flow from Financing Activities		
Sponsors Loan	6,800,000	69,700,000
Syndicated Term Finance - Secured	-	(75,000,000)
Morabaha Payment	(4,405,885)	(3,960,027)
Lease Finance	(2,108,844)	(3,765,796)
Net cash flows from financing activities	285,271	(13,025,823)
Net Increase in Cash and Bank Balances	59,052,788	19,072,454
Cash and Bank Balances at Beginning of the year	31,534,730	12,462,276
Cash and Bank Balances at the end of the year	90,587,518	31,534,730

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



Muhammad Baqir Jafferi
Chief Executive Officer



Muhammad Ilyas Abdul Sattar
Chief Financial Officer



Haroon Iqbal
Chairman Board of Director



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Issued, Subscribed & Paid-up Capital	General Reserve	Accumulated Profit/(Loss)	Revaluation Surplus on Property, Plant & Equipment	Total
	(Rupees)				
Balance as on October 01, 2016 as reported	665,119,920	190,000,000	(971,090,614)	--	(115,970,694)
Effect of change in accounting policy (Note# 2.1)	--	--	(528,118,500)	--	(528,118,500)
Effect of change in accounting policy (Note# 2.2)	--	--	--	1,311,752,770	1,311,752,770
Balance as on October 01, 2016 restated	665,119,920	190,000,000	(1,499,209,114)	1,311,752,770	667,663,576
(Loss) for the year	--	--	(755,906,632)	--	(755,906,632)
Incremental Depreciation transferred from Surplus on Revaluation of Property, Plant & Equipment - Net of tax	--	--	110,609,012	(110,609,012)	--
Effect rate difference Incremental Surplus transferred from Deferred tax	--	--	--	19,010,910	19,010,910
Balance as on September 30, 2017	665,119,920	190,000,000	(2,144,506,734)	1,220,154,668	(69,232,146)
(Loss) for the Year	--	--	(787,798,844)	--	(787,798,844)
Right shares issue from Sponsor Loan	250,000,000	--	--	--	250,000,000
Revaluation during the period Net of tax	--	--	--	1,667,458,156	1,667,458,156
Incremental Depreciation transferred from Surplus on Revaluation of Property, Plant & Equipment - Net of tax	--	--	213,548,419	(213,548,419)	--
Effect rate difference Incremental Surplus transferred from Deferred tax	--	--	--	17,430,780	17,430,780
Balance as on September 30, 2018	915,119,920	190,000,000	(2,718,757,159)	2,691,495,185	1,077,857,946

The annexed notes form an integral part of these financial statements

Muhammad Baqir Jafferi
Chief Executive Officer

Muhammad Ilyas Abdul Sattar
Chief Financial Officer

Haroon Iqbal
Chairman Board of Director

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2018

1. CORPORATE INFORMATION

Dewan Sugar Mills Limited (the Company) was incorporated in Pakistan, as a public Limited company on June 27, 1982, under the Companies Act, 1913 (Now the Companies Ordinance, 1984) and its shares are listed in Pakistan Stock Exchange Guarantee Limited. (formerly Karachi and Lahore Stock Exchanges in Pakistan). The registered office of the company is situated at 7th Floor, Block A, Finance & Trade Centre, Shah rah-e-Faisal, Karachi, Pakistan; while its manufacturing facilities are located at Jillaniabad, Budho Talpur, Taluka: Mirpur Bathoro, District: Thatta, Sindh, Pakistan. The Principal activity of the Company is production and sale of white crystalline refined sugar, processing and trading of by-products, and other related activities and allied products.

1.1 SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

All significant transactions and events that have affected the Company's statement of financial position and performance during the year have been adequately disclosed either in the notes to these financial statements or in the Directors' report.

1.2 GOING CONCERN ASSUMPTION

The financial statements of the company for the year ended September 30, 2018 reflect net loss after taxation of Rs.787.798 million (2017: Rs.755.906 million) and its current liabilities exceeded its current assets by Rs.2,966 (2017 Rs.2,159) million. The Company defaulted in repayment of its restructured long term liabilities due to liquidity crunch faced by the Company and the entire restructured liabilities along with markup eligible for waiver (as disclosed in note 17.1 and 27.3 to the financial statements) have become immediately repayable, short term loan has not been renewed by the Banks. These conditions indicate the existence of material uncertainty which may cast significant doubt about the company's ability to continue as a going concern, therefore the company may not be able to realize its assets and discharge its liabilities during the normal course of business.

The financial statements has been prepared on going concern assumption as the Company approached its lenders for further restructuring of its liabilities which is in process. Company is hopeful that such restructuring will be effective soon and will further streamline the funding requirements of the Company which will ultimately help the management to run the operations smoothly with optimum utilization of production capacity. As the conditions mentioned in the foregoing paragraph are temporary and would reverse therefore the preparation of financial statements using going concern assumption is justified.

2. STATEMENT OF COMPLIANCE

The accounting policies and method of computation adopted in the preparation of this financial information are the same as those applied in the preparation of the annual financial statements of the Company for the preceding year ended September 30, 2017, except for the changes as described as below.

2.1 Change in accounting policy for Investment in Associate

Company has changed its accounting policy for investments in associated Company, which were previously classified as available for sale with change in fair values taken to other comprehensive income, the same are now being classified using equity basis of accounting as follows:

Associates are entities over which the Company exercises significant influence. Investment in associates is accounted for using equity basis accounting, under which the investment in associate is initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of profit or loss of the associate after the date of acquisition. The Company's share of profit or loss of the associate is recognized in the Company's profit and loss account. Distributions received from associate reduce the carrying amount of the investment. Adjustments to the carrying amount are also made for changes in the Company's proportionate interest in the associate arising from changes in the associates' other comprehensive income that have not been recognized in the associate's profit or loss. The Company's share of those changes is recognized in other comprehensive income of the Company. The carrying amount of the investments tested for impairment, by comparing its recoverable amount (higher of value in use and the fair value less costs to sell) with its carrying amount and loss, if any, is recognized in profit or loss. If the Company's share of losses of an associate equals or exceeds its interest in the associate, the Company discontinues recognizing its share of further losses.

The change in accounting policy has been applied retrospectively, and comparative figures have been restated. Had the policy not been changed, the carrying amount of investments would have been Rs.335.927 million (2017: Rs.502.457 Million), share holder's equity would have been higher by same amounts and other comprehensive loss would have been higher by Rs.166.530 million (2017: higher by Rs.25.662 million).

2.2 **Change in accounting policy of surplus on revaluation of property, plant and equipment**

Previously, the Company's accounting policy for surplus on revaluation of property, plant and equipment was in accordance with the provisions of section 235 of the repealed Companies Ordinance 1984. Further, the revaluation of property, plant and equipment was shown as a separate item below equity, in accordance with the presentation requirement of the repealed Companies Ordinance 1984.

However, in the Companies Act 2017 the above mentioned specific accounting and presentation requirements of surplus on revaluation of property, plant and equipment have been carried forward. This change has impacted the accounting policy of the company related to surplus on revaluation of property, plant and equipment, and now the company is following the accounting treatment and presentation of surplus on revaluation of property, plant and equipment, prescribed in IAS-16 'property, plant and equipment' as follows:

Any revaluation increase arising on the revaluation of property, plant and equipment is recognized in other comprehensive income and presented as separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverse a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. any decrease in carrying amount arising on the revaluation of property, plant and equipment is charged to profit or loss to the extent that it exceeds its balances, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation surplus to the extent of incremental depreciation charges (net of deferred tax) is transferred to accumulated loss.

The change in accounting policy has been applied retrospectively, and comparative figures have been restated. Had the policy not been changed, the shareholders' equity would have been lower by Rs.2,691 million (2017: Rs.1,220 million).

2.3 **Standards, interpretations and amendments**

The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.4 Basis of measurement

These financial statements have been prepared under the historical cost convention except Property, Plant and Equipment which are carried at revalued amounts.

2.5 Standards, interpretations and amendments applicable to financial statements

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as describe below:

2.5.1 New standards, interpretations and amendments

The Company has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year:

- IAS 7 - Statement of Cash Flows- Disclosure Initiative - (Amendment)
- IAS 12 Income Taxes- Recognition of Deferred Tax Assets for Unrealized losses (Amendments)

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

2.5.2 Amendments to approved accounting standards and interpretations which are effective during the year ended 30 September 2018.

The third and fourth schedule to the Companies Act, 2017 became applicable to the Company for the first time for the preparation of these financial statements. The Companies Act, 2017 (including its third and fourth schedule) forms an integral part of the statutory financial reporting framework applicable to the Company and amongst others, prescribes the nature and content of disclosures in relation to various elements of the financial statements. Additional disclosures include but are not limited to, particulars of immovable assets of the Company (note 5), treatment of surplus on revaluation of fixed assets (note 15), management assessment of sufficiency of tax provision in the financial statements (note 26), change in threshold for identification of executives (note 36), additional disclosure requirements for related parties (note 39) etc.

The other amendments to published standards and interpretations that were mandatory for the Company's financial year ended 30 September 2018 are considered not to be relevant or to have any significant effect on the Company's financial reporting and therefore not disclosed in these financial statements.

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

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

	Effective date (annual periods Beginning on or after)
Standard or interpretation	
IFRS 2 - Share Based Payments- Classification and Measurement of Share Based Payment Transactions (Amendments)	1 January 2018
IFRS 9- Financial Instruments	1 July 2018
IFRS 9- Prepayment Features with Negative Compensation (Amendments)	1 January 2018
IFRS 10- Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalized

	Effective date (annual periods Beginning on or after)
Standard or interpretation	
IFRS 15- Revenue from Contracts with Customers	1 July 2018
IFRS 16- Leases	1 January 2019
IFRS 4 - Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts- (Amendments)	1 January 2018
IAS 40- Investment Property: Transfers of Investment Property (Amendments)	1 January 2018
IAS 19- Plan Amendment, Curtailment or Settlement (Amendments)	1 January 2019
IAS 28- Long-term Interests in Associates and Joint Ventures (Amendments)	1 January 2019
IFRIC 22- Foreign Currency Transactions and Advance Consideration	1 January 2018
IFRIC 23- Uncertainty over Income Tax Treatments	1 January 2019

The above standards and amendments are not expected to have any material impact on the Company's financial statements in the period of initial application except for IFRS 15 - Revenue from contracts with customers. The Company is currently evaluating the impact of the said standard.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2016 and December 2017. Such improvements are generally effective for accounting periods beginning on or after 01 January 2018 and 01 January 2019 respectively. The Company expects that such improvements to the standards will not have any impact on the Company's financial statements in the period of initial application.

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after 1 January 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

**Effective date
(annual periods
Beginning
on or after)**

Standard

IFRS 14- Regulatory Deferral Accounts
IFRS 17- Insurance Contracts

1 January 2016
1 January 2021

2.6 Significant Accounting Judgments, Estimates and Assumption

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

In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

2.6.1 Property, plant and equipment

Estimates with respect to residual values and depreciable lives and pattern of flow of economic benefits are based on the recommendation of technical team of the Company. Further, the Company reviews the value of the assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of tangible fixed assets with a corresponding affect on the depreciation charge and impairment.

2.6.2 Taxation

In making the estimates for income taxes payable by the Company, the management considers applicable tax laws and the decisions of appellate authorities on certain cases issued in past.

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

2.6.3 Stock-in-trade, stores, spare parts and loose tools

The Company reviews the Net Realizable Value (NRV) of stock-in-trade to assess any diminution in the respective carrying values.

2.6.4 Provision for doubtful receivables

A provision for impairment of trade and other receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. These estimates and underlying assumptions are reviewed on an ongoing basis.

2.6.5 Provision for impairment

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

3. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were resolved as approved by the Board of Directors and authorized for issue on December 26, 2018.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except new amendment if applicable as disclosed in note 2.1 and 2.2 to the financial statements.

4.1 Basis of Measurement and Presentation

The financial statements have primarily been prepared under the historical cost convention without any adjustments for the effect of inflation or current values, except for the fixed assets which are on revalued amount in note 5 to the financial statements, financial assets and liabilities which are carried at their fair values. Further, accrual basis of accounting is followed except for cash flow information.

4.2 Post Employment Benefits - Defined Benefit Plan

The Company operated an unfunded gratuity scheme for its staff till 31 March 2007 and changed its policy for Staff retirement benefit from Gratuity to Provident Fund Scheme from April 1, 2007.

The company operated an approved defined contribution provident fund scheme for its eligible permanent employees who opted for the benefits. Equal monthly contributions are made, both by the company and the employees of the fund at the rate of 8.33% of the basic salary.

4.3 Trade and Other Payables

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

4.4 Taxation Current Year

Provision in respect of current year's taxation is based on the method of taxation prescribed under the Income Tax Ordinance, 2001, whereby taxable income is determined, and tax charged at the current rates of taxation after taking into account tax credits, rebates available, if any, and the income falling under the presumptive tax regime, or the minimum tax liability is determined on a whichever is higher basis, and in the event of a current or accumulated carried forward tax loss.

Deferred

Deferred tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amount for financial statement reporting purposes. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, tax credits and unused tax losses can be utilized. Deferred tax liabilities are generally recognized for all temporary taxable differences.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantially enacted at the balance sheet date up to September 30, 2012 the company has recognized deferred tax assets in financial statements.

4.5 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any or revalued amounts; except for Free hold land which is stated at cost, and capital works in progress which are stated at cost accumulated up to the balance sheet date.

Leased

The company accounts for fixed assets acquired under finance leases by recording the assets and the related liability. These amounts are determined as the fair values or discounted value of minimum lease payments; whichever is the lower, as at inception, less accumulated depreciation and impairment losses. Financial charges are allocated to the accounting period in a manner so as to provide a constant periodic rate of charge on the outstanding liability.

- Depreciation

Depreciation is charged on monthly basis using the reducing balance method whereby the cost of an asset is written off over its estimated useful life. Previously the same was charged at an annual basis. Further, the rates applied are in no case less than the rates prescribed by the Central Board of Revenue. The depreciation method and useful lives of the items of property, plant and equipment are reviewed periodically and altered if circumstances or expectations have changed significantly. Any change is accounted for as a change in accounting estimate by changing the depreciation charge for the current and future periods. Depreciation is charged for the full month in the period of acquisition and is not charged for the month in which it is disposed.

Depreciation on Plant and Machinery of Board & Panel Unit, Poly Propylene Unit & Distillery Unit on unit of production method. In accordance with the IAS-16 every Company should select the method for charging depreciation that most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The Method is applied consistently from period to period unless there is a change in the expected pattern of consumption of those future economic benefits. The IAS further requires that such pattern of flow of economic benefits should be periodically reviewed and reassessed. Poly propylene Plant has stopped its Production since June 2016 therefore no depreciation has been charged as per company policy.

- Repairs, renewals and maintenance

Major repairs and renewals are capitalized. Normal repairs and maintenance are charged as expense when incurred.

- Disposal / Retirement of Assets

Gains or losses on disposal or retirement of assets are determined as the difference between the sale proceeds and the carrying amounts of these assets, and are included in the income currently. When revalued assets are sold, the relevant undepreciated surplus is transferred directly by the company to its accumulated profit / loss.

- Capital Works-in-Progress

All expenditures connected with specific assets and incurred during development, installation and construction period are carried as capital work-in-progress. These are transferred to the specific assets as and when these assets are available for commercial or intended use.

- Surplus on Revaluation

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 depreciation based on revalued carrying amount of the asset (the depreciation charged to income) and depreciation based on the assets original cost is transferred from revaluation of property, plant and equipment to unappropriated profit. All transfers to / from surplus on revaluation of property, plant and equipment are net of applicable taxes.

- In accordance with section 235 of the Companies Ordinance 1984, as clarified by Securities and Exchange Commission of Pakistan, an amount equal to the incremental depreciation charged on revalued assets is transferred from surplus on revaluation of Fixed Assets to retained earning.

4.6 Leases

Finance leases, which transfer to the company, substantially all the risks and benefits incidental to ownership, are capitalized at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. In the case of operating leases, rentals are accounted for in the current period profit and loss account, while liability for future payments are disclosed as commitments of the company.

4.7 Investment in Associated company

Company has changed its accounting policy for investments in associated Company, which were previously classified as available for sale with change in fair values taken to other comprehensive income, the same are now being classified using equity basis of accounting as disclosed in Note # 2.1 to the account, therefore the accounting policy of investment has been changed and the same is valued as in IAS-28.

4.8 Stores, Spares and Loose Tools

These are stated at the lower of cost and net realizable value. The cost of inventory is based on the weighted average cost measurement. Items in transit are stated at cost accumulated up to the date of the balance sheet.
Provision is made for any slow moving and obsolete items .

4.9 Stock-in-Trade

These are valued as follows :

Raw Material	:	At lower of weighted average cost and net realizable value. Cost of raw material and components represents invoice value plus other charges paid thereon.
Finished Goods	:	At lower of weighted average cost and net realizable value. Cost of finished goods comprises of prime cost and an appropriate portion of production overheads.
Work-in-Process	:	At lower of weighted average cost and net realizable value. Weighted average cost comprises of the cost of raw materials only. Conversion costs are not included as these are insignificant.
Stock in Transit	:	At cost plus direct expenses accumulated up to the balance sheet date.
Molasses	:	Cost in relation to Stock of molasses held by distillery acquired from out side sugar mills is valued at lower of weighted average cost and net realizable value where as the molasses transferred by the mill to distillery are valued on the basis mentioned in note 4.10
Stock at fair price shop	:	At cost calculated on the first-in-first-out method of valuation.
Packing Material	:	At lower of weighted average cost and net realizable value.

Net Realizable Value signifies the estimated selling price in the ordinary course of business less costs necessarily to be incurred in order to make the sale.

4.10 Inter Segment transfer

Transfer between business segment are recorded at net realizable value.

4.11 Trade Debts and Other Receivables

Trade debts originated by the company are recognized and carried at the original invoice amount less an allowance for any uncollectible amounts. A review of the carrying amount is made at each year end. An estimate for a doubtful receivable is made when collection of the whole or part of the amount is no longer probable. Bad debts are written off as incurred.

4.12 Foreign Currency Translation and Hedging

Transactions in foreign currencies are initially recorded using the rates of exchange ruling at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Rupees at the exchange rates prevailing on the balance sheet date. In order to hedge its exposure to foreign exchange risks, the company, at times, enters into forward exchange contracts. Such transactions are translated at contracted rates. Exchange differences on translating of foreign currency are charged to the current period Profit and Loss Account.

4.13 Revenue Recognition

Revenue from sales is recognized on dispatch of goods to customers. Dividend income is recognized on the basis of declaration by the investee company. Export sales are recorded when shipped. Interest on Saving accounts and Bank Deposits is recorded on accrual basis.

Unrealized gains / loss arising on re-measurement of investments classified as "financial assets at fair value through profit or loss" are included in the profit and loss account in the period in which these arise.

Realized capital gains / loss on sale of investments are recognized in the profit and loss account at the time of sale.

4.14 Borrowing Cost

Borrowing cost directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets until such time the assets are ready for their intended use. All other borrowing costs are charged to income in the period in which they are incurred.

4.15 Provisions

A provision is recognized in the balance sheet when the company has a legal or constructive obligation, and, as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and that a reliable estimate can be made for the amount of this obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

4.16 Financial Instruments

All financial assets and liabilities are recognized at the time when the company becomes a party to the contractual provisions of the instrument. Any gain or loss on derecognizing of the financial assets and financial liabilities are taken to profit and loss account currently. Financial assets are derecognized when the company loses control of the contractual rights that compromise the financial asset. Financial liabilities are removed from the balance sheet when the obligation is extinguished, discharged, cancelled or expired.

Financial instruments carried on the balance sheet includes investments, deposit trade debts, loan and advances, receivables, cash and bank balances, redeemable capital, liabilities against assets subject to finance lease, creditors, running finance and other payables. The particular recognition method adopted is disclosed in the individual policy statements associated with each item.

Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the government are not the financial instruments of the company.

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

4.17 Cash and Cash Equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash and bank balances.

4.18 Impairment of Assets

The carrying amounts of the assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount, whereby the asset is written down to the recoverable amount and the impairment loss is recognized in the profit and loss account. The recoverable amount of property, plant and equipment is the greater of the net selling price and its value in use.

4.19 Related Party Transactions and Transfer Pricing

All transactions with related parties are carried out by the company at arm's length prices, and the transfer price is determined in accordance with the methods prescribed under the Companies Ordinance, 1984, and as approved by the board of directors of the company.

4.20 Loans, Advances and Other Receivables

Loans, advances and other receivables are recognized initially at cost, and subsequently at their amortized/ residual cost.

4.21 Short Term and Long Term Loans

Short Term and Long Term Loans are recognized initially at cost, and subsequently at their amortized/ residual cost.

4.22 Business Segments

Business segments are distinguishable components of the company that are engaged in providing an individual product or a group of related products and that is subject to risk and returns that are different from those of other business segments. The business segments of the company are located in the same geographical location.

The assets of a segment include all operating assets used by a segment and consists principally of receivables, inventories and property, plant and equipment, net of allowances and provisions, if any. Segment liabilities include all operating liabilities consisting principally of deferred liabilities, other payables and accrued liabilities. The carrying amount of identifiable assets and liabilities are directly attributed to respective segments. The carrying amount of jointly used assets and liabilities of sugar and allied segments are classified as unallocated assets and liabilities. Inter-segment transfers are effected at cost to the transferring department. All identifiable expenses are directly attributed to the respective segments.

4.23 Intangible Assets

Computer software costs that are directly associated with the computer and computer controlled machines which cannot operate without the related specific software, are included in the costs of the respective assets. Software which are not an integral part of the related hardware are classified as intangible assets.

5 PROPERTY, PLANT & EQUIPMENT

2018 **2017**
(Rupees)

Operating Property, Plant and Equipment	5.1	5,317,560,792	3,423,898,828
Capital work -in-progress	5.2	150,171,296	148,716,920
		5,467,732,088	3,572,615,748

5.1 Operating Property, Plant and Equipment

PARTICULARS	COST				Rate %	DEPRECIATION			Written Down Value as at September 30, 2018
	As at October 01, 2017	Additions/Transfer (Disposals)/	SURPLUS ON REVALUATION	As at September 30, 2018		As at October 01, 2017	For the year / (Adjustment)	As at September 30, 2018	
Free Hold Land	50,612,532	--	92,037,468	142,650,000	--	--	--	--	142,650,000
Factory Building on Free Hold Land	931,736,520	1,503,720	308,231,903	1,241,472,143	10	534,741,708	60,411,852	595,153,560	646,318,583
Labour Quarters on Free Hold Land	408,276,282	--	85,986,668	494,262,950	25	349,645,715	27,931,736	377,577,451	116,685,499
Plant and Machinery Owned	5,599,403,787	--	1,824,683,806	7,424,087,594	10	2,808,310,501	321,468,158	3,129,778,659	4,294,308,935
Leased	100,000,000	--	--	100,000,000	10	29,542,968	4,636,869	34,179,837	65,820,163
Furniture and Fixtures	55,763,850	408,308	--	56,172,158	10	38,968,653	1,616,998	40,585,651	15,586,507
Office Equipment	60,392,366	327,258	--	60,719,624	10	43,118,084	1,653,854	44,771,938	15,947,686
Vehicles	169,833,803	2,265,830	--	172,099,633	20	147,792,682	4,063,530	151,856,212	20,243,421
2018	7,376,019,140	4,505,116	2,310,939,845	9,691,464,102		3,952,120,313	421,782,997	4,373,903,310	5,317,560,792

PARTICULARS	COST				Rate %	DEPRECIATION			Written Down Value as at September 30, 2017
	As at October 01, 2016	Additions/Transfer (Disposals)/	SURPLUS ON REVALUATION	As at September 30, 2017		As at October 01, 2016	For the year / (Adjustment)	As at September 30, 2017	
Free Hold Land	50,612,532	--	--	50,612,532	--	--	--	--	50,612,532
Factory Building on Free Hold Land	931,736,520	--	--	931,736,520	10	492,805,527	41,936,181	534,741,708	396,994,812
Labour Quarters on Free Hold Land	408,276,282	--	--	408,276,282	25	332,794,065	16,851,650	349,645,715	58,630,567
Plant and Machinery Owned	5,599,403,787	--	--	5,599,403,788	10	2,605,487,515	202,822,987	2,808,310,501	2,791,093,287
Leased	100,000,000	--	--	100,000,000	10	26,224,840	3,318,128	29,542,968	70,457,032
Furniture and Fixtures	54,904,463	859,387	--	55,763,850	10	37,245,220	1,723,433	38,968,653	16,795,197
Office Equipment	60,014,632	377,734	--	60,392,366	10	41,323,853	1,794,231	43,118,084	17,274,282
Vehicles	169,833,803	--	--	169,833,803	20	142,867,305	4,925,377	147,792,682	22,041,121
2017	7,374,782,019	1,237,121	--	7,376,019,140		3,678,748,325	273,371,987	3,952,120,313	3,423,898,828

5.1a The segment and category wise allocation of depreciation is as follows:

	2018	2017
	(Rupees)	
Cost of Sales		
Sugar Unit	271,621,451	192,708,394
Polypropylene Unit	4,979,489	3,818,782
Board and Panel Unit	8,237,965	8,072,490
Distillery Unit	131,641,475	62,791,968
Administrative and General Expenses		
Sugar Unit	3,115,508	3,533,408
Polypropylene Unit	134,920	151,853
Board and Panel Unit	125,175	139,209
Distillery Unit	1,927,014	2,155,882
	421,782,997	273,371,986

5.1b Company had revalued its Factory Building and Plant and Machinery which arises amounting to Rs.2.311 on 17th January 2018 with a independent valuer M/s. Anderson 103, 1st Floor 16-C Rahat Commercial DHA Phase VI, Karachi. Valuation made on basis of Direct Method i-e. Physical inspection and allocating approximate fair value as per the inquiries conducted by the valuer from different sources and experience of such assignments. Forced sale value of these revalued assets as per report is 4.211 billion. Had there been no such revaluation made by the Company, the written down values of these assets would have been as under:

Free Hold Land	50,612,532	-
Factory building on freehold land	84,437,732	91,721,650
Labour quarters on freehold land	1,918,603	2,470,051
Plant and Machinery	1,309,748,639	1,409,448,875
	1,446,717,506	1,503,640,576

5.1c Freehold land represents 320 Acres and 16 ghuntas situated at jilaniabad, Budhu Talpur, District Sujawal. The value of Freehold land is Rs.142.650 million(2017 Rs.50.613 million). This increase arise due to current revaluation of assets.

5.2	Capital Work-in-Progress	148,716,920	135,077,935
	Additions during the year	1,454,376	13,638,985
		150,171,296	148,716,920
	Less: Transfer to Fixed assets	-	-
	5.2.1	150,171,296	148,716,920
5.2.1	Break up are as follows		
	Civil Work	78,141,900	78,141,900
	Plant and Machinery	72,029,396	70,575,020
		150,171,296	148,716,920
6	STORES, SPARES & LOOSE TOOLS		
	Stores	255,707,626	278,152,006
	Spares	63,926,907	69,538,001
		319,634,533	347,690,007
	Less: Provision for obsolescence and slow moving items	(106,198,862)	(106,198,862)
		213,435,671	241,491,145

7	STOCK-IN-TRADE	2018	2017
		(Rupees)	
	Raw Materials		
	- Board and Panel Unit	10,147,901	6,223,538
	- Molasses (Distillery) Unit	131,457,129	302,074,672
	- Polypropylene Unit	1,028,066	1,122,662
		142,633,096	309,420,872
	Work-in-Process		
	- Sugar Unit	1,910,558	677,835
	- Board and Panel Unit	180,187	171,027
	- Distillery Unit	242,219	441,890
	- Polypropylene Unit	739,103	739,103
		3,072,067	2,029,855
	Finished Goods		
	- Sugar		
	Less valued written down to net realizable value	1,054,218,009	1,646,458,527
	Net realizable value	(208,989,009)	(361,854,424)
		845,229,000	1,284,604,103
	- Boards and Panels -at cost	12,117,311	23,830,465
	Less valued written down to net realizable value	(1,889,785)	(4,502,687)
	Net realizable value	10,227,526	19,327,778
	- Industrial Alcohol -at cost	466,474,817	256,591,482
	Less valued written down to net realizable value	-	-
		466,474,817	256,591,482
		1,467,636,506	1,871,974,090
8	TRADE DEBTS - UNSECURED, CONSIDERED GOOD		
	Sugar Unit	281,633	6,599,222
	Polypropylene Unit	3,735,514	15,282,259
	Board and Panel Unit	7,492,075	45,279,040
	Distillery Unit	21,264,941	14,310,526
		32,774,163	81,471,047
8.1	The aging of debtors at the reporting date was		
	Up to one month	14,748,373	36,661,971
	1 to 6 months	9,832,249	24,441,314
	More than 6 months	8,193,541	20,367,762
		32,774,163	81,471,047

Based on past experience the management believes that no impairment allowance is necessary in respect of trade debts due to major amount of trade debts have been recovered subsequent to the balance sheet date and for the rest of the trade debts management believes that the same will be recovered in short course of time. The credit quality of the company's receivable can be measured with their past performance of no default.

**9 LOANS, ADVANCES AND OTHER RECEIVABLES
UNSECURED, CONSIDERED GOOD**

Advances

Against Imports	17,957,809	1,224,228
To Contractors	31,205,941	72,288,595
To Growers	35,146,298	98,873,499
To Staff	4,158,986	4,111,914
Against Stores and Expenses	60,477,840	85,334,161
Advances against Supplier	38,148,814	127,053,269
Sundry	31,720,966	47,874,573
Others	90,517,530	90,517,530
	309,334,184	527,277,769

9.2

9.1 These advances and other receivables are interest free.

9.2 Advance to Staff includes Rs. 2.266 (2017: Rs. 2.497) million due from the executives of the company. The maximum amount due from these executives at any month end was Rs.2.497 (2017: Rs. 2.436) million.

10 TRADE DEPOSITS, SHORT-TERM PREPAYMENTS & CURRENT BALANCES WITH STATUTORY AUTHORITIES

	2018	2017
	(Rupees)	
Security Deposits	10,430,225	11,056,224
Prepayments	1,573,722	1,452,897
	12,003,947	12,509,121

11 SHORT TERM INVESTMENT IN ASSOCIATED COMPANY- AVAILABLE FOR SALE

No. of Ordinary Shares of Rs. 10/- each

	2018	2017	
	13,000,000	13,000,000	Invested in Cash
	650,000	650,000	Received as fully paid
	13,650,000	13,650,000	
Surplus on revaluation of investment	-	-	
	-	-	
Market Value as at September 30 (Rupees per share)	24.61	36.81	
Percentage of Equity held	9.84%	9.84%	

11.1 Associate is an entity over which the Company has significant influence but no control. Company's investee Company is considered to be its associate by virtue of common directorship, member of Yousuf Dewan Companies and its ownership interest of 9.84 % investee Company.

11.2 Investment in Dewan Farooque Motors Limited

Number shares held	13,650,000	13,650,000
Cost of investment (Rupees)	130,000,000	130,000,000
Fair value of investment (Rupees)	335,926,500	502,456,500
Ownership interest	9.84%	9.84%

11.3 Summarized financial information of associated Company

Total assets	3,594,724,000	3,541,210,000
Total Liabilities	5,747,818,000	5,683,149,000
Net assets	(2,153,094,000)	(2,141,939,000)
Company's share of net assets	(211,864,450)	(210,766,798)
Revenue	349,000	212,000
Loss for the period	(44,767,000)	(3,044,000)

12 CASH AND BANK BALANCES

Cash in Hand	738,112	949,286
Cash at Banks		
Current Accounts	89,849,406	30,585,444
Saving Accounts	-	-
	90,587,518	31,534,730

Bank balances with deposits and saving accounts are placed under interest / mark-up arrangements. The Company has conventional banking relationships with all the banks.

13 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

No. of Ordinary Shares of Rs. 10/- each

			2018	2017
			(Rupees)	
2018	2017			
11,430,000	11,430,000	Fully Paid in cash	114,300,000	114,300,000
18,255,996	18,255,996	100% Right Issue of the	182,559,960	182,559,960
55,000,000	30,000,000	Right Issue of the Ordinary Share from Sponsor loan	550,000,000	300,000,000
84,685,996	59,685,996		846,859,960	596,859,960
6,825,996	6,825,996	Issued as fully paid bonus shares	68,259,960	68,259,960
91,511,992	66,511,992		915,119,920	665,119,920

The above Holding includes holding of associated companies 5,788,938 (2017:5,788,938)

13.1 The shareholders are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at the meetings of the company. All shares rank equally in respect to the company's residual assets.

13.2 The pattern of shareholding, as required under the Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan, is attached at the end of this report.

14 RESERVES AND SURPLUS

General Reserve	190,000,000	190,000,000
Accumulated Loss	(2,718,757,159)	(2,144,506,734)
	<u>(2,528,757,159)</u>	<u>(1,954,506,734)</u>

15 Surplus on Revaluation of Property, Plant and Equipment (Net)

The following fixed assets of the Company were revalued on January 17, 2018. The revaluation was carried out by independent valuer M/s. Anderson, 103 1st Floor 16-C Rahat Commercial DHA Phase VI, Karachi. Bases of revaluation are as follows:

Factory Building & Labour Quarters on free hold land

Revalued amount of building has been determined by reference to present depreciated replacement values after taking into consideration covered area and type of construction, age of civil and ancillary structures, physical conditions and level of preventive maintenance carried out by the Company.

Plant and Machinery

Revalued amount of plant and machinery has been determined by reference to present depreciated replacement values after taking into consideration the existence, level of maintenance and assessment of value of the machinery on the basis of its present conditions. Since the plant is not operational therefore assessment is carefully made to establish if the machinery can be put into operation after routine maintenance. Assessed value is determined through a computation of the remaining useful life of the assets with the present market value.

The revaluation has resulted in increase in surplus and corresponding carrying amounts of property, plant and equipment by Rs.2,311 billion.

Particulars	W.D.V. of assets before revaluation	Revalued amount	Revaluation Surplus
		(Rupees)	
Free hold Land	50,612,532	142,650,000	92,037,468
Plant and Machinery	2,809,073,194	4,633,757,000	1,824,683,806
Factory Building on free hold land	80,411,704	388,643,607	308,231,903
Labour Quarter on free hold land	55,041,968	141,028,636	85,986,668
	<u>2,995,139,398</u>	<u>5,306,079,243</u>	<u>2,310,939,845</u>

		2018	2017
		Rupees	
Balance at beginning (restated :2017)		1,220,154,668	1,311,752,770
Surplus arising on revaluation of Property, Plant & Equipment during the year		2,310,939,845	-
Related deferred tax on arising surplus (excluding freehold land)		(643,481,689)	-
Surplus relating to incremental depreciation - net of deferred tax		(213,548,419)	(110,609,012)
Effect of change in tax rates		17,430,780	19,010,910
		<u>2,691,495,185</u>	<u>1,220,154,668</u>
16 SPONSORS LOAN-UNSECURED			
Sponsors Loan	16.1	195,493,356	260,109,637
Sponsors Loan	16.2	113,712,921	104,987,699
		<u>309,206,277</u>	<u>365,097,336</u>
16.1 Sponsors Loan			
Opening Balance Original Loan amount		750,625,200	680,925,200
Addition during the year		6,800,000	69,700,000
		<u>757,425,200</u>	<u>750,625,200</u>
Right issue of paid up capital from sponsor loan		(250,000,000)	--
		<u>507,425,200</u>	<u>750,625,200</u>
Less Present value adjustment		(490,515,563)	(468,695,559)
Amortized Interest Income		149,503,462	(45,547,278)
Add Amortization Discount Charged to P & L		29,080,257	23,727,274
		<u>(311,931,844)</u>	<u>(490,515,563)</u>
Present Value of Sponsors Loan		<u>195,493,356</u>	<u>260,109,637</u>
The Sponsors loan has been measured at amortized cost in accordance with International Accounting Standard 39, Financial Instruments: Recognition and Measurement, and have been discounted using the weighted average interest rate of ranging 11.18% per annum. These interest free loans are payable in lump sum on September 30, 2027.			
16.2 Sponsors Loan obtained for payment of Term Loan		159,647,920	159,647,920
Less Present value adjustment		(54,660,221)	(62,715,955)
Add Amortization Discount Charged to P & L		8,725,222	8,055,734
		<u>(45,934,999)</u>	<u>(54,660,221)</u>
		<u>113,712,921</u>	<u>104,987,699</u>

This represents unsecured interest free loan payable to sponsor director. This liability has arisen on account of settlement of liabilities of the bank, which were settled by sponsor director. The terms of repayment of loan finalized after restructuring settlement made with the steering committee and as of that date payable in lump sum on December 31, 2022. The amount of loan has been measured at amortized cost in accordance with International Accounting Standard 39, Financial Instruments: Recognition and Measurement, and have been discounted using the weighted average interest rate of ranging 8.1% per annum.

		2018	2017
		(Rupees)	
17 LONG TERM FINANCE - SECURED			
Syndicated Term Finance	17.1	136,305,886	699,101,101
First National Bank Modaraba	17.2	3,041,739	9,067,820
Syndicated Term Finance		139,347,625	708,168,921
17.1 Syndicated Term Finance		2,348,128,218	2,423,128,218
Less: Repayment during the year		-	75,000,000
Classified as current portion		2,348,128,218	2,348,128,218
Current Maturity		562,795,215	481,129,862
Overdue installments		1,649,027,117	1,167,897,255
Less : Current Maturity of Non Current Liabilities		2,211,822,332	1,649,027,117
		136,305,886	699,101,101
17.2 First National Bank Modaraba			
Principal amount outstanding		13,473,705	17,433,731
Less: Repayment during the year		4,405,884	3,960,026
		9,067,821	13,473,705
Less : Current Maturity of Non Current Liabilities		6,026,082	4,405,885
		3,041,739	9,067,820

- 17.1** The Company had made settlement with all the lenders of the Company through compromise decree dated February 18, 2011 granted by Honorable High Court of Sindh at Karachi. In the compromise decree the terms had been finalized as all the loans of the Company had been rescheduled by the lenders. The loan amount Rs.3,447,004 million after repayment of sale proceeds of Khoski by Rs. 450 million in proportions of lenders outstanding loan. The repayment was made out of the sale proceeds of Khoski assets of Rs.500 million and the remaining Rs. 50 million paid to the buyer against outstanding liabilities of the sugarcane suppliers of Khoski unit.

Further more, it was agreed that the said loan will be repayable in ten years with one year grace period with no markup through out the repayment period, the principal amount will be paid in 32 (1 to 32)un-equal quarterly installments ranging from Rs.57.099 million to Rs. 152.395 million. The tenure of repayments have been started from March 30, 2012 and last payment will be made on December 30, 2020.

Moreover banks / financial institutions had allowed further working capital limit to the Company as fully explained in note 23.1 and 27.3 to these financial statements. However, in case of default by the company the entire outstanding mark up as disclosed in the agreement will remain outstanding liability of the company and all amounts in respect of its liabilities shall become payable with immediate effect as per term of the Compromise Agreement.

The company had defaulted in repayments of restructured liabilities . however, the company has approached its lenders for further restructuring of its liabilities, which is in advanced stage. Management is hopeful that such revision will be finalized soon. Accordingly the Banks' liability has been classified as non-current.

- 17.2** This amount represents principal outstanding out of 37.525 million mutually agreed rescheduled amount approved by the management of First National Bank Modaraba on June 15, 2011. The Principal amount will be paid in 32 (1 to 32) quarterly un-equal installments of Rs. 0.558 million to 1.520 million repayable in 10 year including grace Period of one year installments have been commenced from 16th June, 2012 and the last installment will be paid on March 16, 2021. No mark up will be charged during the period of tenure.

		2018	2017
		(Rupees)	
18 LONG TERM MARK UP			
Syndicated Term Finance Markup Payable	18.1	284,801,103	251,801,103
Mark-up payable (First National Bank Modaraba)	18.2	1,879,169	1,620,737
		286,680,272	253,421,840

- 18.1** This amount represents token mark up of Rs. 425.051 payable to Syndicated (Summit Bank & Other) in 4 equal quarterly installments (33 to 36) million. The markup will be accrued 4 quarterly equally installment of Rs.8.2 million during the period of tenure.

Syndicated Term Finance Markup Payable

Mark up Payable opening	251,801,103	218,801,103
Add Provision during the year	33,000,000	33,000,000
	284,801,103	251,801,103

- 18.2** This amount represents token mark up of Rs. 2.525 million payable to First National Bank Moradabad in 4 equal quarterly installments (33 to 36) of Rs.0.631 million. The markup will be accrued quarterly in 9 years for 36 equal installment of Rs.0.0645 million..

Mark-up payable (First National Bank Modaraba)

Mark up Payable opening	1,620,737	1,362,305
Add Provision during the year	258,432	258,432
	1,879,169	1,620,737

- 18.3** In 2015 one of the Banks had Settled the liability of the company through the sponsor of the company as disclosed in note 16.2. to the financial statements.

19 LIABILITY AGAINST ASSETS SUBJECT TO FINANCE LEASE

	2018		2017	
	Minimum Lease Payments	Present value of Minimum Lease Payments	Minimum Lease Payments	Present value of Minimum Lease Payments
	(Rupees)			
Due not later than one year	2,213,610	2,213,610	2,108,844	2,108,844
Due later than one year but not later than five years	8,496,413	8,496,413	10,710,023	10,710,023
Due later than five year and onward	--	--	--	--
Total Payments	10,710,023	10,710,023	12,818,867	12,818,867
Less: Financial charges allocated to future periods	--	--	--	--
Present Value of Minimum Lease Payments	10,710,023	10,710,023	12,818,867	12,818,867
Classified as current portion				
Current Maturity on Lease Liabilities	4,427,220	4,427,220	2,108,844	2,108,844
	6,282,803	6,282,803	10,710,023	10,710,023

The company entered into Finance Lease arrangements with various leasing companies in order to obtain certain Property Plant & Equipment's. The minimum lease payments have been discounted at an implicit interest rate, floating as per the relevant arrangements, i.e., three month KIBOR (Ask Side) base rate plus 2.75% per annum and State Bank of Pakistan Discount rate base rate plus 2% per annum; to arrive at the present value of the liability. Rentals are paid in monthly / quarterly / bi-annual basis, and in case of a default in any payment, an additional charge @ 3%~20% per annum is required to be paid.

The company has the option to purchase the asset upon expiry of the lease term, which it intends to exercise at the offered residual value being the amount advanced as security deposit to the leasing companies. Taxes, repairs, and insurance are borne by the company. In case of an early termination of the lease contract, the company is required to pay the entire amount of the rentals under the contract for the unexpired period of the lease agreement. In case of a finance lease, the prime security is the leased asset itself, as the title to the asset does not transfer to the company until the satisfactory discharge of the lease contract.

- 19.1** The Dawood Investment Bank Ltd has accepted our request and agreed to reschedule their lease liabilities. In this regard a Supplemental Lease Agreement was made on December 15, 2011. As per term 27.731 million settled amount will be paid in 40 installments in 10 years and paid quarterly commencing from 24 November, 2011 and ended on 15 August, 2021. No mark up will be paid during tenure of period.

		2018	2017
		(Rupees)	
20	DEFERRED LIABILITIES		
20.1	Deferred Liability for Staff Gratuity (Provision)	20.1	
		6,081,594	7,449,500
20.2	Deferred Income Tax Liability	20.2	
		676,341,742	137,514,839
		682,423,336	144,964,339
20.1	Deferred Liability for Staff Gratuity (Provision)		
	Opening Balance	7,449,500	8,691,538
	Less: Payments made during the year	1,367,906	1,242,038
		6,081,594	7,449,500

The Company discontinued its policy for staff retirement benefits plan for gratuity to Provident fund on 31-3-2007 and provision for all its outstanding liabilities had been made until 31-3-2007.

20.2 Deferred Income Tax Liability

Deferred tax liability arising on Surplus on Revaluation of Property, Plant and Equipment	1,061,750,335	522,923,429
Deferred tax liability arising due to accelerated tax depreciation	94,602,976	114,271,679
Deferred tax asset arising on carry forward losses	(943,595,277)	(849,785,997)
Deferred tax assets arising on Staff Gratuity and Other Provisions	(1,763,662)	(2,234,850)
	210,994,372	(214,825,739)
Deferred tax asset not recognized	465,347,370	352,340,578
	676,341,742	137,514,839

		2018	2017
		(Rupees)	
21	TRADE AND OTHER PAYABLES		
	Creditors for Goods	2,302,716,072	2,567,200,325
	Advance from Customers	212,209,011	320,333,269
	Accrued Expenses		
	Sales Tax	70,121,787	48,411,279
	Excise Duty	3,755,128	3,755,128
	Sales Commission	20,340,364	23,168,313
	Salaries and Wages	17,826,103	46,442,591
	Others	20,682,446	20,167,478
		132,725,828	141,944,789
	Other Liabilities		
	Others	5,879,994	11,658,892
		2,653,530,905	3,041,137,275
21.1	Employees Provident Fund	June 30, 2018	June 30, 2017
	General Disclosures	(Unaudited)	(Unaudited)
	Size of Funds	59,661,510	49,713,106
	Cost of Investment	57,665,997	42,311,418
	Fair Value of Investment	60,448,813	43,887,838
	Percentage of Investment	96.66%	85.11%
	21.1.1 The breakup of investments is as follows:		
	Term Deposit	50,000,000	20,000,000
		82.71%	45.57%
	Bank Balances	7,765,997	22,311,418
		12.68%	50.84%
	Others	2,782,816	1,576,420
		4.61%	3.59%
22	INTEREST, PROFIT, MARK-UP ACCRUED ON LOAN & OTHER PAYABLES		
	On Short Term Finances	3,715,631	3,337,770
		3,715,631	3,337,770
23	SHORT TERM FINANCE - SECURED		
	Short Term Running Finance Facilities - Secured	192,195,875	192,195,875
	Book Overdraft	10,530,714	23,407,144
		202,726,589	215,603,019

23.1 This amount represent RF facility of 192.196 (2017: 192.196) million sanctioned by the lenders as per Court order/compromise decree. The facility is secured by the way of first charge over current assets of the Company with 20% margin. The markup of this facility is 3 month KIBOR plus 0.75% per annum payable quarterly basis. The Financing agreement has been Expired and not renewed by the Banks.

		2018 (Rupees)	2017
24 UNCLAIRED DIVIDEND			
Opening		769,748	769,748
Paid during the year		205	--
		<u>769,543</u>	<u>769,748</u>
25 CURRENT PORTION OF NON-CURRENT LIABILITIES			
Long Term Finance Facilities	17	2,217,848,414	1,653,433,002
Liability against Assets subject to Finance Lease	19	4,427,220	2,108,844
		<u>2,222,275,634</u>	<u>1,655,541,846</u>
26 PROVISION FOR TAXATION			
Balance at the beginning		96,841,886	66,841,886
Add: Provision for the year		58,700,000	30,000,000
		<u>155,541,886</u>	<u>96,841,886</u>
Payment /adjustment during the period		66,841,886	--
		<u>88,700,000</u>	<u>96,841,886</u>

Update income tax returns of the Company have been filed and adjustment have been made till tax year 2017 which are deemed to be assessed u/s 120 of the Income Tax Ordinance 2001. The provision made in these financial statement is sufficient to cover the tax obligation and comparison of tax provision as per accounts viz a viz for last three is as follows:

	Provision	Deemed Assessment
Tax Year 2015	56,000,000	46,548,725
Tax Year 2016	40,841,886	30,168,157
Tax Year 2017	26,000,000	24,018,878
26.1 Relationship between income tax expense and accounting profit.		
Accounting (loss) as per profit and loss account	(817,978,755)	(773,310,496)
(Profit) & Loss under FTR	(117,150,364)	10,284,221
	<u>(935,129,119)</u>	<u>(763,026,275)</u>
Applicable tax rate	29%	30%
Tax on accounting (loss)	(271,187,445)	(228,907,883)
Tax effect of timing difference on depreciation	68,630,364	44,414,617
Tax effect of expenses/provision that are not deductible in determining taxable loss charged to profit & loss account	53,922,900	761,819
Effect of Loss carried/(brought) forward	148,634,181	183,731,447
	-	-
Minimum tax payable under Income Tax Ordinance, 2001	<u>58,700,000</u>	<u>30,000,000</u>

27 CONTINGENCIES AND COMMITMENTS

Contingencies

- 27.1** Certain appeals are pending with the Income tax authorities related to the disallowances of expenses etc. The management feels that the outcome of the appeals will not be against the company.
- 27.2** Guarantees given by the commercial banks on behalf of the Company amounted to Rs.3.407 million (2017:Rs. 3.407) million.
- 27.3** As per the terms of the restructuring the waiver markup allowed by the lender amounting Rs. 471.824 million, which would be liable to pay in the event of default of the term of agreement. The company had defaulted in repayments of liability, however the company approached to the lenders for further restructuring as detailed in note 17.1 to the financial statements. since the restructuring is in advance stage therefore management is confident that this amount will remain eligible for waiver, hence no provision of the same has been made in these financial statements. The company expects no defaults to the payments.

**YD****A YOUSUF DEWAN COMPANY****28 SALES**

	Sugar Segment		Polypropylene Segment		Board and Panel Segment		Distillery Segment		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	(Rupees)									
Gross Sales										
Local	2,800,300,890	1,521,548,920	-	7,004,362	90,857,957	97,047,716	81,275,468	86,210,603	2,972,434,315	1,711,811,601
Exports	-	-	-	-	-	-	2,149,992,987	1,459,924,793	2,149,992,987	1,459,924,793
	2,800,300,890	1,521,548,920	-	7,004,362	90,857,957	97,047,716	2,231,268,455	1,546,135,396	5,122,427,302	3,171,736,394
Sales Commission	2,882,663	1,345,173	-	16,629	-	-	11,446,146	7,687,806	14,328,809	9,049,608
Sales Tax/Special Excise Duty	346,425,090	151,833,900	-	1,113,990	14,574,582	15,471,851	8,918,780	9,463,021	369,918,452	177,882,762
	349,307,753	153,179,073	-	1,130,619	14,574,582	15,471,851	20,364,926	17,150,827	384,247,261	186,932,370
Net Sales	2,450,993,137	1,368,369,847	-	5,873,743	76,283,375	81,575,865	2,210,903,529	1,528,984,569	4,738,180,041	2,984,804,024

29 COST OF SALES

Note	Sugar Segment		Polypropylene Segment		Board and Panel Segment		Distillery Segment		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	(Rupees)									
Raw material - opening stock	-	-	1,122,662	5,883,123	6,223,539	2,973,511	302,074,672	107,068,641	309,420,873	115,925,275
Purchases	2,048,745,190	2,850,542,219	-	-	48,313,002	75,877,023	1,304,397,035	1,354,524,113	3,401,455,227	4,280,943,356
Raw material - Return	-	-	(94,596)	-	-	-	-	-	(94,596)	-
Raw material - closing stock	-	-	(1,028,066)	(1,122,662)	(10,147,901)	(6,223,538)	(131,457,129)	(302,074,672)	(142,633,095)	(309,420,872)
Raw material consumed	29.1 2,048,745,190	2,850,542,219	-	4,760,461	44,388,640	72,626,996	1,475,014,578	1,159,518,082	3,568,148,408	4,087,447,759
Road Cess	3,172,493	3,169,322	-	-	-	-	-	-	3,172,493	3,169,322
Salaries, Wages and Other Benefits	29.2 177,527,396	179,387,210	476,094	2,470,716	20,052,241	14,566,947	66,211,852	56,952,560	264,267,583	253,377,433
Water, Fuel and Power	51,321,386	35,935,004	-	120,000	8,633,718	13,887,758	298,185,372	198,503,337	358,140,472	248,446,099
Stores and Spares consumed	104,833,493	99,908,050	43,227	36,337	7,487,948	8,085,119	90,334,774	70,729,451	202,699,442	178,758,957
Printing and Linter feeding	-	-	-	-	-	-	-	-	-	-
Insurance	551,616	5,194,057	210,167	263,622	204,819	254,787	3,035,676	2,093,729	4,002,278	7,806,195
Depreciation	271,621,451	192,708,394	4,979,489	3,818,782	8,237,965	8,072,490	131,641,475	62,791,968	416,480,380	267,391,634
Repairs and Maintenance	4,160,612	14,708,213	-	5,296	269,612	285,280	11,249,296	5,483,210	15,679,520	20,481,999
Other Overheads	21,224,405	20,378,574	22,750	91,029	342,103	297,424	11,696,904	3,780,625	33,286,162	24,547,652
Vehicle Running Expenses	6,490,817	7,014,202	-	147,789	185,884	181,118	267,786	189,953	6,944,487	7,533,063
	2,689,648,859	3,408,945,246	5,731,727	11,714,033	89,802,930	118,257,918	2,087,637,712	1,560,042,914	4,872,821,229	5,098,960,112
Work in process - beginning	677,835	1,785,824	739,103	1,126,590	171,027	192,510	441,890	318,065	2,029,855	3,422,989
Work in process - ending	(1,910,558)	(677,835)	(739,102)	(739,103)	(180,187)	(171,027)	(242,219)	(441,890)	(3,072,066)	(2,029,855)
Cost of Goods Manufactured	2,688,416,136	3,410,053,235	5,731,727	12,101,519	89,793,770	118,279,401	2,087,837,383	1,559,919,089	4,871,779,018	5,100,353,246
Finished goods - opening stock	1,284,604,103	-	-	1,002,364	19,327,778	14,347,860	256,591,482	108,122,556	1,560,523,363	123,472,780
Transfer to Other Segments	(107,815,500)	(198,378,090)	-	-	-	-	-	-	(107,815,500)	(198,378,090)
Finished goods - closing stock	(845,229,000)	(1,284,604,103)	-	-	(10,227,526)	(19,327,778)	(466,474,818)	(256,591,482)	(1,321,931,344)	(1,560,523,363)
	3,019,975,739	1,927,071,042	5,731,727	13,103,883	98,894,022	113,299,483	1,877,954,048	1,411,450,163	5,002,555,537	3,464,924,572

29.1 No production activity in polypropylene Unit during the year, therefore the depreciation on Plant & Machinery has not been charged on same unit as per the Company policy as disclosed in No.4.5 to the Financial Statements.

29.2 Salaries, Allowances & Other Benefits include Rs.3.650 (2017:3.492) million in respect of Staff Retirement Benefits.

30 ADMINISTRATIVE AND GENERAL EXPENSES

Note	Sugar Segment		Polypropylene Segment		Board and Panel Segment		Distillery Segment		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	(Rupees)									
Salaries, Allowance & Other Benefits	30.1 37,670,086	44,806,477	-	700,000	1,800,000	1,800,000	11,634,627	8,841,007	51,104,713	56,147,484
Office and Other Expenses	79,137	61,210	-	-	-	-	250,000	36,000	329,137	97,210
Entertainment	539,781	554,214	-	-	-	20,576	353,349	171,035	893,130	745,825
Communication	894,064	819,377	-	-	-	-	1,256,719	1,239,312	2,150,783	2,058,689
Depreciation	3,115,508	3,533,408	134,920	151,853	125,175	139,209	1,927,014	2,155,882	5,302,617	5,980,352
Vehicle Running Expenses	3,153,070	2,758,562	-	-	-	-	2,461,289	1,143,987	5,614,359	3,902,549
Legal and Professional Charges	1,000,950	2,708,190	-	-	-	-	148,250	725,000	1,149,200	3,433,190
Printing and Stationery	891,004	729,952	-	-	-	-	61,523	24,430	952,527	754,382
Rent, Rates and Taxes	44,263,668	48,331,721	-	-	-	-	-	23,000	44,263,668	48,354,721
Traveling and Conveyance	595,377	637,020	-	-	-	96,500	2,253,966	839,527	2,849,343	1,573,046
Auditors' Remuneration	30.2 650,000	650,000	-	-	-	-	-	-	650,000	650,000
Fees and Subscription	5,919,135	1,233,589	-	-	-	-	605,325	-	6,524,460	1,233,589
Miscellaneous	25,824	66,497	-	-	-	-	-	330,305	25,824	396,802
	98,797,604	106,890,217	134,920	851,853	1,925,175	2,056,285	20,952,062	15,529,485	121,809,761	125,327,840

30.1 Salaries, Allowances & Other Benefits include Rs.1.495(2017:1.572) million in respect of Staff Retirement Benefits.

	2018	2017
	(Rupees)	
30.2 Auditors Remuneration		
Audit Fee	525,000	525,000
Half Yearly Review	125,000	125,000
	650,000	650,000

31 DISTRIBUTION AND SELLING COSTS

	Sugar Segment		Polypropylene Segment		Board and Panel Segment		Distillery Segment		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	(Rupees)									
Sugar Bags Handling	3,558,943	2,680,521	-	-	-	-	-	-	3,558,943	2,680,521
Export Expenses	-	-	-	-	-	-	195,654,673	89,637,601	195,654,673	89,637,601
Selling expenses	-	-	-	7,000	-	-	-	-	-	7,000
	3,558,943	2,680,521	-	7,000	-	-	195,654,673	89,637,601	199,213,616	92,325,122

32 OTHER OPERATING INCOME/(CHARGED)

Profit from Dean Petroleum Services		1,400,927	1,126,507
Profit on Deposit Account	32.1	1,093,629	737,080
Amortization of interest free loans	16	(149,503,462)	45,547,278
		(147,008,906)	47,410,865

32.1 Represents markup on bank accounts under conventional banking relationship.

33 FINANCIAL COST

Markup and Charges on:

Term Finance Facilities		33,258,432	33,258,432
Short Term Finance Facilities		13,806,926	13,174,736
Bank Charges		700,138	524,406
Unwinding of discount	16	37,805,480	31,783,008
		85,570,976	78,740,582

34 TAXATION

Current Income Tax charge		58,700,000	30,000,000
Provision for Deferred Income Tax		(87,224,005)	(47,403,864)
Prior Year Adjustment		(1,655,906)	--
		(30,179,911)	(17,403,864)

In view of the carry forward tax losses of the company; current year taxation charge, except for income covered under the presumptive tax regime, has been determined as the minimum tax under Section 113 of the Income Tax Ordinance, 2001. Following course, gross turnover from all sources up to September 30, 2018 have been taxed 1.25% and advance tax deducted under the presumptive tax regime have been determined as the current tax liability of the company for the year and that preceding. Hence a reconciliation of the accounting and taxable profits is deemed not applicable in the instance.

35 LOSS PER SHARE - BASIC

Loss for the Year	(787,798,844)	(755,906,632)
Weighted average number of shares in issue	75,964,047	66,511,992
Loss per Share - Basic	(10.37)	(11.36)

35.1 There is no dilution of the basic earning per share of the company, as it has not issued any instrument having an option to convert into the issued ordinary share capital of the company.

36 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for the year, in respect of remuneration, including certain benefits to the Directors and Executives of the company, is as follows:

Description	2018				2017			
	Chief Executive	Director	Executives	Total	Chief Executive	Director	Executives	Total
Managerial Remuneration	3,501,960	(Rupees) 3,501,960	23,839,966	30,843,886	5,417,021	(Rupees) 1,586,900	20,754,961	27,758,882
House Rent Allowance	1,575,880	1,575,880	10,727,984	13,879,744	2,437,660	714,105	9,339,732	12,491,497
Utilities	350,195	350,195	5,006,394	5,706,784	545,319	162,295	4,358,543	5,066,157
Total	5,428,035	5,428,035	39,574,344	50,430,414	8,400,000	2,463,300	34,453,236	45,316,536
Number of Persons	1	1	20	22	1	1	18	20

Certain Directors and executives of the company are provided with free use of company maintained cars.

37 PLANT CAPACITY AND PRODUCTION

Sugar Unit

	2018	2017
Rated crushing capacity per day (MT) (Seawall unit)	8,000	8,000
Cane crushed by the company (MT)	507,595	507,088
Sugar produced by the company (MT)	53,360	52,020
Days worked (Nos.)	121	99
Sugar Recovery (%)	10.520%	10.254%

Polypropylene Unit

Annual Capacity in Tons	4,455	4,455
Capacity Utilization	-	-

Board and Panel Unit

Per Day Capacity (Number of Sheets)	1,000	1,000
Capacity Utilization	27.48%	38.75%

Distillery Unit

Annual Capacity on the basis of 300 days (Tons)	30,000	30,000
Capacity Utilization	96.04%	78.23%

The company has not utilized the full capacity for the production due to working capital constraints and short supply of Raw material to the plant.

38 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

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

The carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date is:

	2018	2017
	Rupees	
Short term Investment	-	-
Trade Debts	32,774,163	81,471,047
Loans and Advances	309,334,184	527,277,769
Trade Deposits and Prepayments	12,003,947	12,509,121
Cash and Bank Balances	90,587,518	31,534,730
	444,699,812	652,792,668

The company manages credit risk of receivables through the monitoring of credit exposures and continuous assessment of credit worthiness of its customers. The company believes that it is not exposed to any major concentration of credit risk as its customers are credit worthy and dealing banks possess good credit ratings.

38.1 Liquidity risk

Liquidity risk reflects an enterprise's inability in raising funds to meet commitments. The company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for new requirements. The following are the contractual maturities of the financial liabilities, including estimated mark-up:

	Carrying Amounts	Contractual Cash flows	Six months or less	Six to twelve months	One to two years	Two to five years
	(Rupees)					
Financial Liabilities - Recognized						
Term Finance Rescheduled	2,357,196,038	2,784,772,394	1,652,011,453	565,836,961	565,661,354	1,262,626
Short Term Finances	192,195,875	198,871,415	198,871,415	--	--	--
Finance Lease Liability	10,710,023	10,710,023	2,213,610	2,213,610	4,512,384	1,770,420
Trade & Other Payables	2,653,530,905	2,653,530,905	2,653,530,905	--	--	--
Mark up payable	3,715,631	3,715,631	3,715,631	--	--	--
Total 2018	5,217,348,473	5,651,600,369	4,510,343,015	568,050,571	570,173,738	3,033,046
Financial liabilities - Recognized						
Term Finance Rescheduled	2,361,601,923	2,789,178,278	1,169,318,803	484,114,198	420,909,603	714,835,674
Short Term Finances	192,195,875	198,871,415	198,871,415	--	--	--
Finance Lease Liability	12,818,867	12,818,867	1,054,422	1,054,422	4,427,220	6,282,804
Trade & Other Payables	3,155,073,189	3,155,073,189	3,155,073,189	--	--	--
Mark up payable	3,337,770	3,337,770	3,337,770	--	--	--
Total 2017	5,725,027,624	6,159,279,519	4,527,655,599	485,168,620	425,336,823	721,118,478

All the financial liabilities of the company are non derivative financial liabilities. The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rates effective as at September 30.

38.2 Market Risk

Market risk is a risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of financial instruments. The company is exposed to currency risk and interest rate risk only.

38.2.1 Currency risk

Foreign currency risk arises mainly where receivables and payables exist due to transactions in foreign currencies. The company's financial instruments are in its functional currency therefore it is not exposed to any significant currency risk.

38.2.2 Interest rate risk

Interest rate risk is the risk that the value of financial instrument will fluctuate due to changes in market interest rates. The company's exposure to the risk of changes in interest rates relates primarily to the following:

	2018	2017
Fixed rate instruments at carrying amounts:		
Financial Assets		
Balance with banks		
Variable rate instruments at carrying amounts:		
Financial liabilities		
Lease liabilities	10,710,023	12,818,867
Short term borrowings	192,195,875	192,195,875
	202,905,898	205,014,742

Fair value sensitivity analysis for fixed rate instruments:

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

Cash flow sensitivity analysis for variable rate instruments:

A change of 100 basis points in interest rates at the reporting date would have increased / decreased loss/profit for the year by the amounts shown below:

Effect on loss / profit due to change of 100 BPs

Increase	1,921,959	1,921,959
Decrease	1,921,959	1,921,959

The effective interest / mark up rates for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.

38.3 Capital risk management

The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximize shareholder value and reduce the cost of capital.

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. Net debt is calculated as total loans and borrowings including any finance cost thereon, trade and other payables, less cash and bank balances and investments. Capital signifies equity as shown in the balance sheet plus net debt.

38.4 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms length transaction. The carrying values of financial instruments reflected in these financial statements approximate their fair values.

39 RELATED PARTY TRANSACTIONS

The related parties and associated undertakings, comprise associated companies, staff retirement funds, directors and key management personnel. Transaction with related parties and associated undertakings, other than remuneration and benefits to key management personnel disclosed in the respective notes, are as follows:

Sales Commission	11,446,146	7,704,435
Provident fund Contribution	5,146,440	5,064,945
Loan from Director	6,800,000	69,700,000
Right issued to Director	250,000,000	--

All transactions were carried out on commercial terms and conditions and were valued at arm's length price. Reimbursement of expenses were on actual basis. Remuneration and benefits to key management personnel under the terms of their employment are given in Note 36 above.

The receivable/payable balances with related parties as at September 30, 2018 are disclosed in the respective notes to the financial statements.

40 ADDITIONAL BUSINESS SEGMENT INFORMATION

	Sugar Segment		Polypropylene Segment		Board & Panel Segment		Distillery Segment		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	(Rupees)									
Net Sales (Note 25)	2,450,993,137	1,368,369,847	-	5,873,743	76,283,375	81,575,865	2,210,903,529	1,528,984,569	4,738,180,041	2,984,804,024
Cost of Sales (Note 26)	3,019,975,739	1,927,071,041	5,731,728	13,103,883	98,894,022	113,299,483	1,877,954,048	1,411,450,163	5,002,555,537	3,464,924,572
Gross Profit(Loss)	(568,982,602)	(558,701,195)	(5,731,728)	(7,230,140)	(22,610,647)	(31,723,618)	332,949,481	117,534,406	(264,375,496)	(480,120,548)
Administrative Expenses (Note 27)	98,797,604	106,890,217	134,920	851,853	1,925,175	2,056,285	20,952,062	15,529,485	121,809,761	125,327,840
Selling & Distribution costs (Note 28)	3,558,943	2,680,521	-	7,000	-	-	195,654,673	89,637,601	199,213,616	92,325,122
	102,356,547	109,570,738	134,921	858,853	1,925,175	2,056,285	216,606,735	105,167,086	321,023,377	217,652,962
Segment Results	(671,339,149)	(668,271,933)	(5,866,648)	(8,088,993)	(24,535,822)	(33,779,903)	116,342,746	12,367,320	(585,398,873)	(697,773,509)
Segments Assets	4,217,091,891	3,784,010,689	233,114,540	232,396,259	266,556,991	294,024,067	2,956,753,142	2,229,097,008	7,673,516,564	6,426,361,859
Segments Liabilities	5,058,153,065	5,090,664,424	51,608,859	53,117,701	94,233,678	107,755,979	1,385,581,422	1,236,606,403	6,589,577,024	6,488,144,507
Capital Expenditure - Excluding Revaluation	1,631,376	754,287	-	-	-	-	4,328,116	482,834	5,959,492	1,237,121
Depreciation	274,736,959	196,241,802	5,114,409	3,970,635	8,363,140	8,211,699	133,568,489	64,947,850	421,782,997	273,371,986

41 CORRESPONDING FIGURES

- Figures have been rounded off to nearest rupee.
- Comparative figures have been rearranged and reclassified wherever necessary for the purpose of better presentation and comparison. Significant reclassification and restatements have been mentioned in note 2.1 and 2.2 to the financial statements and reclassification of unclaimed dividend of Rs.205/- from trade and other payable to face of the statement of financial position.

42 NUMBER OF EMPLOYEES

Number of employees as at 30 September	31	32
Number of factory employees as at 30 September	479	481
Average number of employees during the year	36	33
Average number of factory employees during the year	68	628

43 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Rupees, which is the Company's functional currency. All financial information presented in Pak Rupee and rounded off to nearest Rupee.



Muhammad Baqir Jafferi
Chief Executive Officer



Muhammad Ilyas Abdul Sattar
Chief Financial Officer



Haroon Iqbal
Chairman Board of Director



PATTERN OF SHAREHOLDING UNDER REGULATION 37 (XX) (I) OF THE CODE OF CORPORATE GOVERNANCE AS ON SEPTEMBER 30, 2018

Srl #	Categories of Shareholders	Number of Shareholders	Number of Shares held	% of Shareholding
1.	Associated Companies	2	5,788,938	6.33%
2.	NIT and ICP	6	1,651,284	1.80%
3.	Directors, CEO, their Spouses & Minor Children	7	4,000	0.00%
4.	Executives			0.00%
5.	Public Sector Companies & Corporations	15	455,681	0.50%
6.	Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Modarbas & Mutual Funds	1	71,935	0.08%
7.	Individuals	2,190	83,540,154	91.29%
	TOTAL	2,221	91,511,992	100.00%

DETAILS OF CATAGORIES OF SHAREHOLDERS				
Srl #	Names	Number of Shareholders	Number of Shares held	% of Shareholding
1.	Associated Companies			
1.1	M/s Dewan Motors (Pvt.) Limited	1	2,894,469	3.16%
1.2	M/s Dewan Mushtaq Motors Co. (Pvt.) Limited	1	2,894,469	3.16%
		2	5,788,938	6.33%
2.	NIT and ICP			
2.1	NATIONAL BANK OF PAKISTAN	1	1,357	0.00%
2.2	NATIONAL BANK OF PAKISTAN,TRUSTEE WING	1	100	0.00%
2.3	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	1	1,376,432	1.50%
2.4	NATIONAL INVESTMENT TRUST LIMITED-ADMINISTRATION FUND	1	44,818	0.05%
2.5	TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT FUND TRUST	1	7,749	0.01%
2.6	TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSION FUND	1	220,828	0.24%
		6	1,651,284	1.80%
3.	Directors, CEO, their Spouses & Minor Children			
	Directors and CEO			
3.1	Mr. Haroon Iqbal	1	1,000	0.00%
3.2	Mr. Aziz-UI-Haque	1	500	0.00%
3.3	Mr. Ghazanfar Badar Siddiqui	1	500	0.00%
3.4	Syed Muhammad Anwar	1	500	0.00%
3.5	Mr. Ishtiaq Ahmed	1	500	0.00%
3.6	Mr. Muhammad Naeem Uddin Malik	1	500	0.00%
3.7	Mr. Muhammad Baqar Jafferi	1	500	0.00%
		7	4,000	0.00%
3.2	Spouses of Directors and CEO			
3.2.1		-	-	0.00%
		-	-	0.00%
3.3	Minor Children of Directors and CEO			
3.3.1		-	-	0.00%
		-	-	0.00%
		7	4,000	0.00%

SHAREHOLDERS HOLDING 5% OR MORE OF THE VOTING SHARES/ INTERESTS IN THE COMPANY				
Srl #	Names	Number of Shareholders	Number of Shares held	% of Shareholding
1	Dewan Muhammad Yousuf Farooqui	2	61,302,772	66.99%

DETAILS OF TRADING IN THE SHARES OF THE COMPANY BY DIRECTORS, CEO, CFO, COMPANY SECRETARY, THEIR SPOUSES AND MINOR CHILDREN			
Srl #	Names	Date of Transaction	Number of Shares sold

THE COMPANIES ORDINANCE, 1984

FORM 34

(Section 236(1) and 464)

PATTERN OF SHAREHOLDING

1. Incorporation Number **0009535**
2. Name of the Company **DEWAN SUGAR MILLS LIMITED**
3. Pattern of holding of the shares held by the Shareholders as at **3 0 0 9 2 0 1 8**

Number of Shareholders	Shareholdings			Total Shares held
557	1	-	100 Shares	14,252
560	101	-	500 Shares	155,450
228	501	-	1,000 Shares	208,185
498	1,001	-	5,000 Shares	1,406,814
151	5,001	-	10,000 Shares	1,238,200
80	10,001	-	20,000 Shares	1,272,878
45	20,001	-	30,000 Shares	1,153,767
28	30,001	-	40,000 Shares	1,008,978
17	40,001	-	50,000 Shares	787,707
3	50,001	-	60,000 Shares	161,000
4	60,001	-	70,000 Shares	266,000
4	70,001	-	80,000 Shares	298,795
2	80,001	-	90,000 Shares	179,000
11	90,001	-	100,000 Shares	1,074,667
5	100,001	-	120,000 Shares	563,518
3	120,001	-	140,000 Shares	382,459
1	140,001	-	160,000 Shares	150,000
2	160,001	-	200,000 Shares	389,000
1	200,001	-	220,000 Shares	212,131
4	220,001	-	240,000 Shares	925,112
1	240,001	-	260,000 Shares	250,000
1	260,001	-	300,000 Shares	279,350
1	300,001	-	500,000 Shares	481,866
1	500,001	-	550,000 Shares	502,500
1	550,001	-	600,000 Shares	556,500
1	600,001	-	700,000 Shares	685,000
1	700,001	-	750,000 Shares	738,720
2	750,001	-	1,000,000 Shares	1,958,500
1	1,000,001	-	1,400,000 Shares	1,376,432
1	1,400,001	-	1,500,000 Shares	1,431,665
1	1,500,001	-	1,900,000 Shares	1,864,382
1	1,900,001	-	2,500,000 Shares	2,447,454
2	2,500,001	-	3,000,000 Shares	5,788,938
1	3,000,001	-	7,000,000 Shares	6,157,361
1	7,000,001	-	55,500,000 Shares	55,145,411
2221	TOTAL :-			91,511,992

5.	Categories of Shareholders	Shares held	Percentage
5.1	Directors, Chief Executive Officer, their spouses and minor children	4,000	0.00%
5.2	Associated Companies, undertakings and related parties	5,788,938	6.33%
5.3	NIT and ICP	1,651,284	1.80%
5.4	Banks, Development Financial Institutions, Non-Banking Finance	-	0.00%
5.5	Insurance Companies	71,935	0.08%
5.6	Modarabas and Mutual Funds	-	0.00%
5.7	Shareholders holding 5%	61,302,772	66.99%
5.8	General Public		
	a. Local	83,540,154	91.29%
	b. Foreign	-	0.00%
5.9	Others (Joint Stock Companies, Brokrage Houses, Employees Funds & Trustees)	455,681	0.50%

**YD**

A YOUSUF DEWAN COMPANY

بورڈ ادارے کی اپنی ٹیم، ایگزیکٹو اراکین، اسٹاف کے ساتھی اور ورکرز کا بھی بھرپور شکریہ ادا کرتا ہے جو کمپنی کی ترقی میں اپنا بھرپور کردار ادا کر رہے ہیں۔ ہم آپ کی محنت اور کاوشوں کو قدر کی نگاہ سے دیکھتے ہیں۔

اختتامی بیان:

اختتام پر اللہ پاک رحمن و رحیم کے حضور سجدہ ریز ہو کر دعا مانگتے ہیں ہمارے نبی سرکارِ دو عالم ﷺ کے وسیلے سے کہ اے اللہ ہماری رہنمائی کرتا رہے اور کمپنی قوم اور وطن عزیز کو اپنے حفظ و امان میں رکھے اور بھرپور ترقی کرنے کی توفیق عطا کرے۔ ساتھ ہی اللہ پاک سے دعا مانگتا ہوں کہ امت مسلمہ میں امن، چین اور بھائی چارہ پیدا کرے آمین۔

میرا پروردگار یقیناً ہماری دعاؤں کو سنتا ہے۔ (قرآن کریم)
بورڈ آف ڈائریکٹرز کی جانب سے

بورڈ کے ڈائریکٹران کی جانب سے

ہارون اقبال
چیئر مین بورڈ آف ڈائریکٹرز

کراچی

مورخہ 26 دسمبر 2018ء

آڈیٹرز:

موجودہ آڈیٹرز ایم ایس فیروز شریف طارق اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس اس سالانہ عمومی اجلاس کے بعد ریٹائر ہو جائیں گے تاہم اہلیت کی بنیاد پر خود کو بعد از ریٹائرمنٹ دوبارہ نامزدگی کے لئے پیش کرتے ہیں۔

قومی خزانے میں شراکت داری:

سال کے دوران آپ کی کمپنی نے سیلز ٹیکس، کسٹم ڈیوٹی، انکم ٹیکس اور دیگر لاگو محصولات کی مد میں حکومتی خزانے میں 430.801 ملین روپے جمع کروائے ہیں۔

ماحولیات

ماحولیات سے جڑے معاملات کو اولین فوجیت حاصل ہے۔ آپ کی کمپنی نے اپنی تمام مصنوعات رینوبل فصل اور خام مال سے تیار کی ہیں۔ ہم کسی ایسے منافع کے حصول میں سرگرداں نہیں جس سے ماحولیات کو کسی قسم کے خطرات کا سامنا کرنا پڑے۔ توانائی میں کفایت اور صفر فضلہ پیدا کرنا ہماری ماحول دوست پالیسیوں کا تسلسل ہیں۔ کمپنی اپنے پلانٹ میں اور اطراف ہریالی کو یقینی بنانے کے اقدامات بھی لیتی ہے تاکہ پلانٹ میں ماحول دوستی پروان چڑھ سکے۔ ہمارا ماننا ہے کہ قدرتی ماحول انسان کی تمام سرگرمیوں کا ضامن ہے۔ استعمال شدہ پانی کو پہلے فلٹر کیا جاتا ہے اور پھر اخراج کیا جاتا ہے۔ اس کے علاوہ ملازمین کے لیے بھی صحت مند ماحول قائم کیا ہوا ہے تاکہ کسی ناخوشگوار واقعہ سے بچا جاسکے۔ پھر بھی کسی غیر یقینی صورتحال سے نمٹنے کے لئے ایمربولینس اور ابتدائی طبی امداد کی سہولت پلانٹ میں دستیاب ہیں۔

ڈیوڈنڈ:

انتظامیہ نے معقول فنڈز نہ ہونے کی وجہ سے اس بار ڈیوڈنڈ نہ دینے کا فیصلہ کیا ہے۔

فی حصص آمدن:

اس سال EPS کاریت (10.37) روپے ہے۔

شیئر ہولڈنگ کا پیٹرن:

کمپنی کی شیئر ہولڈنگ کا پیٹرن اس رپورٹ کے ساتھ منسلک ہے۔

اظہار تشکر:

بورڈ ممبران کمپنی کے حصص یافتگان، وفاقی اور صوبائی حکومتوں، بینکوں، مالیاتی اداروں اور کسانوں کے اعتماد پر تہہ دل سے شکر گزار ہیں۔ آپ کے اس غیر متزلزل اعتماد کی بدولت کمپنی چل رہی ہے۔



۱۱۔ بورڈ کے ڈائریکٹران قابل اور کئی علوم کے ماہرین پر مشتمل ہیں جو کمپنی کو منافع بخش بنانے میں اپنا بھرپور کردار ادا کر رہے ہیں۔ زیر جائزہ سال کے دوران بورڈ نے چھ ملاقاتیں کیں، جن میں اراکین کی حاضری درج ذیل ہے:

بورڈ میٹنگز:

ملاقاتوں میں حاضری	بورڈ آف ڈائریکٹر کے اراکین
6	جناب ہارون اقبال
5	جناب غنفر بابر صدیقی
6	سید محمد انوار
6	جناب عزیز الحق
6	جناب اشتیاق احمد
6	جناب محمد نعیم الدین ملک
6	جناب محمد باقر جعفری

آڈٹ کمیٹی کی میٹنگ:

سال کے دوران آڈٹ کمیٹی کے اراکین نے چار ملاقاتیں کیں جن کی صدارت جناب عزیز الحق نے کی۔ میٹنگ میں حاضر ہونے والے اراکین درج ذیل ہیں:

ملاقاتوں میں حاضری	آڈٹ کمیٹی کے اراکین
4	جناب عزیز الحق
4	جناب ہارون اقبال
4	سید محمد انوار

انسانی وسائل اور خدمات کی کمیٹی میٹنگ:

سال کے دوران انسانی وسائل اور خدمات کی کمیٹی نے ایک ملاقات کی جس کی سربراہی جناب عزیز الحق صاحب نے کی۔

ملاقاتوں میں حاضری	اراکین برائے انسانی وسائل اور خدمات کی کمیٹی
1	جناب عزیز الحق
1	جناب ہارون اقبال
1	جناب محمد باقر جعفری

مندرجہ بالا اقدامات سے چینی کی کرشنگ کے کاروبار کو دوام ملے گا اور صنعت کی صلاحیت اور کاروبار کی لاگت میں کمی کرنے میں معاونت ملے گی اور ملک کو قیمتی زر مبادلہ ملنے کے ساتھ ایکسپورٹ میں بھی اضافہ ہوگا۔ فی ایکڑ پیداوار میں اضافے سے لاگت کو کم سے کم رکھنے اور دیہی علاقے کو ترقی بھی ملے گی۔

سندھ ایگریکلچر ڈیپارٹمنٹ نے 8 دسمبر 2018ء کو نئے سیزن 2018-19 کے لئے گنے کی قیمت 182 روپے فی 40 کلو طے کر دی۔ علاوہ ازیں سیزن کے اختتام پر پری میٹم جو کہ 8.7 فیصد ریکوری سے زائد پونٹ پر 50 پیسہ فی پونٹ سیزن کے آخر میں ادا کیا جائے گا۔ تاہم انڈسٹری اس فیصلے سے مطمئن نہیں کیونکہ سفید چینی کی مقامی مارکیٹ میں قیمت 49 روپے ہے جو حکومتی ٹیکس نکال کر کم ترین سطح ہے۔ اس قیمت پر لاگت تو درکنار دیگر اخراجات نکال کر صنعت کو الٹا نقصان ہے۔

کارپوریٹ گورننس کے ضابطہ کی تعمیل:

- ۱۔ 30 ستمبر 2018ء کو اختتام پذیر مالی سال میں انتظامیہ کی جانب سے تیار کئے گئے کمپنی کے مالیاتی گوشوارے کمپنی کے حالات، کاروباری نتائج، کیش فلو ز اور ایکویٹی میں تبدیلی کی شفاف عکاسی کرتے ہیں۔
- ۲۔ کمپنی کے کھاتوں کی کتابیں مناسب انداز میں رکھی گئی ہیں۔
- ۳۔ 30 ستمبر 2018ء کو اختتام پذیر مالی سال کے مالیاتی گوشوارے تیار کرتے وقت مناسب اکاؤنٹنگ پالیسیاں مسلسل اختیار کی جاتی رہی ہیں اور تمام مالیاتی گوشوارے میں اندازے سمجھداری سے بہتر فیصلوں پر مرتب کئے گئے ہیں۔
- ۴۔ انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز (IFRS) جیسے پاکستان میں نافذ العمل ہیں انہیں ویسے ہی مالیاتی گوشواروں کی تیاری میں نافذ کیا گیا۔
- ۵۔ کمپنی میں اندرونی کنٹرول سسٹم کا ڈیزائن موزوں ہے اور بہت موثر انداز میں لاگو ہے اور اس کی عمدگی سے مانیٹرنگ کی جاتی رہی ہے۔
- ۶۔ ایسے کوئی خدشات نہیں جن کی بنیاد پر یہ کہا جاسکے کہ کمپنی کے مستقبل یا آگے کاروبار کرنے پر کوئی شک کیا جاسکتا ہے ماسوائے ایک معاملے کے جو کمپنی کے مالیاتی نتائج میں نوٹ نمبر 1.1 اور غیر فراہم کردہ مارک اپ نوٹ 17.1 میں اور منسلکہ مالیاتی حسابات نوٹ 27.3 میں درج ہیں۔
- ۷۔ کارپوریٹ گورننس کی تمام اعلیٰ پریکٹسز جیسا کہ اسٹاک ایکسچینج آف پاکستان کی لسٹنگ ریگولیشن میں سے بھی کوئی میٹرل ڈیپارچر نہیں ہوا۔
- ۸۔ گذشتہ چھ سالوں کے کلیدی آپریٹنگ اور فنانشل معلومات مختصر اُس رپورٹ میں شامل ہیں۔
- ۹۔ تمام ٹیکسز ادا کر دیئے گئے ہیں اور کچھ بھی باقی نہیں ہے ماسوائے جیسا کہ منسلکہ شدہ مالیاتی حسابات کے نوٹ 21 میں درج ہے۔
- ۱۰۔ 30 ستمبر 2018ء کو اختتام پذیر مالی سال کے پروویڈنٹ فنڈ انویسٹمنٹ کی فیئر ویلیو 60.449 ملین روپے (46.559: 2017 ملین روپے) رہی ہے۔

**YD**

A YOUSUF DEWAN COMPANY

مالیاتی بحران کی وجہ سے کمپنی ری اسٹرکچرڈ قرضوں کی ادائیگی مین بینکوں سے ورکنگ کیپٹل کی سہولت نہ ملنے کی وجہ سے ناکام رہی۔

کمپنی نے 645.074 ملین روپے کے مارک اپ کا اندراج اپنے حسابات میں نہیں کیا ہے کیونکہ انتظامیہ فی الوقت بینکوں اور دیگر مالیاتی اداروں کے ساتھ طویل مدتی قرضوں کی ری اسٹرکچرنگ کے لئے مذاکرات میں مصروف ہے۔ انتظامیہ کو امید ہے کہ قرضوں کی ری اسٹرکچرنگ ہو جائے گی اسی بنیاد پر کمپنی نے مارک اپ کی مد میں کوئی اضافہ نہیں کیا ہے اور نہ ہی ایسا کرنے کی فی الوقت ضرورت محسوس کرتی ہے۔

آڈیٹرز نے کمپنی کے آگے بڑھنے اور ترقی کرنے کی صلاحیت پر منفی رائے کا اظہار کیا ہے تاہم انتظامیہ کے خیال میں کمپنی کے طویل مدتی قرضوں کی ادائیگی کی ری اسٹرکچرنگ کو بینک اور دیگر مالیاتی ادارے قبول کر لیں گے جس کی وجہ سے کمپنی کے حسابات چلتی ہوئی کمپنی کے جاری کردہ امور کے تحت جائز ہوں گے۔

شکرا انڈسٹری کے مستقبل کا منظر نامہ برائے سال 2018-19:

کپاس کے بعد آج کل شکرا انڈسٹری کو دوسری اہم زراعتی صنعت ہونے کے باوجود ناموافق حالات کی وجہ سے اس صنعت کو نقصانات سے دوچار ہونا پڑا ہے جو ملازمت کے مواقع فراہم کرنے کے ساتھ ملک کے دیہی علاقوں میں اقتصادی سرگرمی میں اضافہ کرتی ہے جس کا ملک کی معیشت پر اچھا اثر پڑتا ہے۔ اس کے علاوہ گنے سے نکلنے والے خشک ریشے اور گاڑھا کالا رس ملک کی دیگر صنعتوں میں استعمال ہوتا ہے جیسے پیپر بورڈ، آتھنول، پیٹرولیم، کھانے پینے کی دیگر اشیاء۔ بد قسمتی سے ایسی اہم صنعت تباہی کے دہانے پر ہے خصوصاً جنوبی سندھ جہاں گنے کی پیداوار بتدریج کم ہوتی جا رہی ہے جس کی وجہ سے پیداوار پر آنے والی لاگت، کسانوں اور مل مالکان کی آمدنی پر بھی اثر پڑے گا۔ انہیں وجوہات کی بناء پر حکومت کو مالیاتی خسارے کا سامنا، غیر ملکی زرمبادلہ میں کمی اور بے روزگاری کی صورت میں اضافہ ہو سکتا ہے۔

مندرجہ بالا حقائق کو مد نظر رکھتے ہوئے اور صنعت کے مستقبل کے لئے حکومت اور اسٹیک ہولڈرز کی ضروریات کے مطابق طویل مدتی پالیسیاں اختیار کرنا ہوگی۔ مختصر مدتی پالیسیوں کو اب لاگو کرنا صنعت کے مستقبل کے لئے درست نہیں اس لئے مربوط اقدامات لینے کی ضرورت ہے جن میں چند مندرجہ ذیل ہیں:

- ☆ مختلف نوعیت کی عمدہ معیاری بیجوں اور تکنیکی معاونت فراہم کی جائے تاکہ معیاری اور ڈائنڈ فصل کی پیداوار ممکن ہو سکے۔
- ☆ گنے کی کاشت کے لئے مزید رقبے مختص کئے جائیں جو آج کل کم سے کم ہوتے جا رہے ہیں۔
- ☆ ریفاؤنڈ چینی کی متواتر برآمدات کی جائے۔
- ☆ گنے کی کرشنگ کرنے والی ملوں کی لیکوڈیٹی کو برقرار رکھنے کے لئے اقدامات کئے جائیں اور برآمدات پر مراعات دی جائیں۔ مزید براں چینی کی قیمت پریسٹنٹیکس موجودہ مارکیٹ کی قیمت پر لاگو کیا جائے۔
- ☆ ریفاؤنڈ شوگر کے ساتھ گنے کی قیمتوں کا موازنہ کرنا۔

زیر جائزہ مدت میں کمپنی قبل از فنانشل چارجز خسارہ 671.339 ملین روپے رہا جس کا موازنہ خسارہ مبلغ 668.271 ملین روپے سے کیا جاسکتا ہے۔ دوران سال عالمی اور مقامی مارکیٹ میں سفید چینی کی زیادہ پیداوار اور قیمتوں میں کمی کا رجحان رہا جس کی وجہ سے بھاری نقصان کا سامنا کرنا پڑا۔ صنعت کو اس صورتحال سے نکالنے کیلئے وفاقی اور سندھ حکومت نے برآمدات کی اجازت دی۔ ایگرکچر، سپلائی اینڈ پرائس ڈپارٹمنٹ حکومت سندھ نے ایک نوٹیفیکیشن نمبر 2017/SO(Ext.):8(291) مورخہ 02-01-2018 جاری کیا اور چینی کی برآمدات کیلئے اہلیت کے معیار کو متعارف کرایا اور حکومت سندھ کی طرف سے مبلغ 9.30 فی کلو اور وفاقی حکومت کی طرف سے مبلغ 10.70 روپے فی کلو نقد سبسڈی کا اعلان کیا۔ برآمد کیلئے سخت معیارات کو دیکھتے ہوئے جو ماضی میں کبھی متعارف نہیں کرائے گئے جن کی وجہ سے کمپنی چینی برآمد نہیں کر سکی۔ اگر چینی کی برآمد کی اجازت ملتی تو نتائج کافی بہتر ہوتے۔

ڈسٹلری آپریشنز:

پلانٹ نے دوران سال 32,945 میٹرک ٹن انڈسٹریل الکوحل تیار کی، جبکہ گزشتہ سال 23,439 میٹرک ٹن انڈسٹریل الکوحل تیار کی تھی اس طرح پیداوار میں تقریباً 40 فیصد بہتری ظاہر ہوئی ہے۔ یہ قابل ذکر بہتری مناسب قیمت پر خام مال کی بروقت خریداری اور بہتر نتائج حاصل کرنے کیلئے مینٹیننس کو موخر کرنے کی وجہ سے ہوا ہے۔

زیر جائزہ مدت میں ڈسٹیلری یونٹ کا آپریٹنگ منافع 116.342 ملین روپے رہا۔ جس کے مقابلے میں پچھلے سال یونٹ کا آپریٹنگ خسارہ 12.367 ملین روپے تھا جو زیر جائزہ مدت میں قابل ذکر بہتری ظاہر کرتا ہے۔ ہماری توقعات ہے کہ منافع میں مزید اضافہ وقت پر خام مال لینے اور پیداوار کی لاگت میں قابل ذکر کمی سے ہوگا۔ اس یونٹ میں منافع میں مزید اضافہ اتھنول کی قیمتوں سے مشروط ہے جن میں عالمی سطح پر چند سالوں سے کمی دیکھی جا رہی تھی فی الحال ایندھن کی قیمتوں میں بھی کچھ اضافہ دیکھا جا رہا ہے جس کی بنیاد پر ہم اندازہ لگا سکتے ہیں کہ مستقبل قریب میں نتائج مزید بہتر ہوں گے۔

بورڈ اور مینجمنٹ آپریشنز:

چپ بورڈ پلانٹ نے زیر جائزہ مدت میں 100,310 ٹینٹھیں تیار کی ہیں اس کے مقابلے پلانٹ گزشتہ سال 144,540 ٹینٹھیں تیار کر پایا تھا۔ اس یونٹ میں پیداوار گنے کے خشک ریشوں کی رسد پر انحصار کرتی ہے جو گنے کی کڑھک کے آپریشنز میں کمی کی وجہ سے کم رہی۔ دوسری ملوں سے خشک ریشوں کو خریدنا موزوں نہیں ہے۔ انتظامیہ نے اپنی توجہ ویلیو ایڈڈ مصنوعات کی تیاری پر مرکوز کر رکھی ہے اور درجہ A کی ٹینٹھیں تیار کر کے مسابقت میں سبقت لیجانے کے لئے کوشاں ہے۔ ہم پر امید ہیں کہ کمپنی کے اس آپریشن میں مثبت نتائج سامنے آئیں گے۔

پولی پروپولین آپریشنز:

کچھ ناموافق صورتحال کی وجہ سے یہ پلانٹ زیر جائزہ مدت میں غیر فعال رہا۔



ڈائریکٹرز رپورٹ

شروع کرتا ہوں اللہ تعالیٰ کے نام سے جو بڑا مہربان اور نہایت رحم والا ہے
اگر تم شکر ادا کرو گے تو میں تم پر (نعمتوں میں) ضرور اضافہ کروں گا (القرآن)

بورڈ کے ڈائریکٹران کی جانب سے یہ میرے لئے اعزاز کی بات ہے کہ میں آپ کو کمپنی کے 37 ویں سالانہ عمومی اجلاس میں خوش آمدید کہوں۔ کمپنی کے سال 30 ستمبر 2018ء کو اختتام پذیر مالی سال کے مالیاتی نتائج آپ کے سامنے پیش کئے جاتے ہیں۔

مالیاتی نتائج

2017	2018	
2,984,804,024	4,738,180,041	کل فروخت
(480,120,549)	(264,375,496)	مجموعی خام (خسارہ)
(755,906,632)	(787,798,844)	کل (خسارہ) بعد از ٹیکس
		کارکردگی کے کلیدی اعداد و شمار
(16.08%)	(5.58%)	خام مجموعی (خسارہ) کا فیصد
(25.32%)	(16.63%)	خالص کل (خسارہ) کا فیصد
(11.36)	(10.37)	فی شیئر آمدنی

مالی سال 2017/18 میں کمپنی کی کارکردگی کا جائزہ:

پلانٹ کی کارکردگی:

چینی کے آپریشنز:

کرشنگ سال 2017-18 میں پلانٹ کا آپریشن 29 مارچ 2018 تک (121 دن) جاری رہا جبکہ گزشتہ سیزن میں کرشنگ 99 دن جاری رہی تھی۔ پلانٹ کی کارکردگی مندرجہ ذیل ہے:


2017	2018	آپریشنز
507,088	507,595	گنے کی کرشنگ میٹرک ٹن میں
52,020	53,360	چینی کی پیداوار میٹرک ٹن میں
10.25%	10.52%	چینی کی اوسط ریکوری فیصد میں

نوٹس برائے سالانہ عمومی میٹنگ

مطلع کیا جاتا ہے کہ دیوان شوگر ملز لمیٹڈ (ڈی ایس ایم ایل یا کمپنی) کا سینتیسواں (37) واں سالانہ اجلاس عام پیر 28 جنوری 2019ء کو دن کے 11:00 بجے دیوان سینٹ لمیٹڈ فیکٹری سائٹ واقع دیہہ ڈھنڈو، دھانیجی ضلع ملیر کراچی، پاکستان میں مندرجہ ذیل امور کی انجام دہی کیلئے منعقد کیا جائیگا۔ اجلاس کا آغاز تلاوت کلام پاک سے ہوگا۔

- ۱۔ کمپنی کے سالانہ اجلاس عام منعقدہ جمعرات 25 جنوری 2018ء کی کارروائی کی توثیق۔
- ۲۔ 30 ستمبر 2018 کو مکمل ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالی گوشواروں مع ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، غور و خوض اور منظوری۔
- ۳۔ آئندہ سال کیلئے کمپنی کے آڈیٹرز کی تقرری اور ان کے مشاہرہ کا تعین۔
- ۴۔ چیئرمین کی اجازت سے دیگر امور کی انجام دہی۔

بحکم بورڈ


محمد حنیف جرمن
کمپنی سیکریٹری

کراچی

تاریخ: 27 دسمبر 2018ء

نوٹ:

- ۱۔ کمپنی کی منتقلی حصص کی کتب 21 جنوری 2019ء تا 28 جنوری 2019ء (دونوں دن شامل) بند رہیں گی۔
- ۲۔ ممبران سے گزارش ہے کہ وہ اپنے پتے میں کسی قسم کی تبدیلی سے فوری طور پر ہمارے شیئرز رجسٹر انٹرنیشنل بی ایم ایف کنسلٹنٹس پاکستان (پرائیویٹ) لمیٹڈ واقع انجم اسٹیٹ بلڈنگ کمرہ نمبر 310 اور 311 تیسری منزل، 49 دارالامان سوسائٹی میں شاہراہ فیصل متصل بلوچ کالونی پل، کراچی پاکستان کو مطلع کریں۔
- ۳۔ اجلاس ہذا میں شرکت اور رائے دہی کا اہل ممبر اپنی جانب سے شرکت اور رائے دہی کیلئے دوسرے ممبر کو اپنا پروکسی مقرر کر سکتا ہے۔ تاہم پروکسی کی تقرری کی دستاویز اجلاس ہذا کے انعقاد سے کم از کم اڑھتالیس گھنٹے قبل کمپنی کو مندرجہ بالا پتہ پر مل جانی چاہئے۔
- ۴۔ سی ڈی سی (CDC) اکاؤنٹ ہولڈرز یا سب اکاؤنٹ ہولڈرز کو مزید براں سکیورٹی اینڈ آپریشنز کمیشن آف پاکستان کے سرکلر نمبر 1 مورخہ 20 جنوری 2000ء میں درج ہدایت پر عمل کرنا ہوگا۔

الف) برائے اجلاس میں شرکت

- ۱۔ انفرادی اکاؤنٹ ہولڈرز یا سب اکاؤنٹ ہولڈرز اور یا افراد کی صورت میں یا جن کی سکیورٹیز گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن تفصیلات ضابطہ کے مطابق اپ لوڈ ہوں اپنی شناخت کے لیے اصل قومی شناختی کارڈ (سی این آئی سی) یا اصل پاسپورٹ اجلاس میں شرکت کے موقع پر پیش کرنا ہوگا۔
- ۲۔ کارپوریٹ اسٹیبلٹی کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع نامزد فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کیے گئے ہوں) اجلاس کے موقع پر پیش کرنا ہوگا۔

ب) پروکسی کی تقرری

- ۱۔ انفرادی اکاؤنٹ ہولڈرز یا سب اکاؤنٹ ہولڈرز اور یا افراد کی صورت میں جن کی سکیورٹیز گروپ اکاؤنٹ میں ہوں اور ان کی رجسٹریشن تفصیلات ضابطہ کے تحت اپ لوڈ ہوں پروکسی فارم مندرجہ بالا شرائط کے مطابق داخل کرانے ہوں گے۔
- ۲۔ پروکسی فارم پر دو افراد کی گواہی ہونی چاہیے جن کے نام پتے اور سی این آئی سی نمبر فارم میں درج ہوں۔
- ۳۔ ممبر اور پروکسی کے سی این آئی سی یا پاسپورٹ کی تصدیق شدہ کاپیاں پروکسی فارم سے منسلک کرنی ہوں گی۔
- ۴۔ پروکسی کو اجلاس کے موقع پر اصل قومی شناختی کارڈ (سی این آئی سی) یا اصل پاسپورٹ پیش کرنا ہوگا۔
- ۵۔ کارپوریٹ اسٹیبلٹی کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع نامزد فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کیے گئے ہوں) پروکسی فارم ہمراہ کمپنی کو پیش کرنے ہوں گے۔

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DEWAN SUGAR MILLS LIMITED
37th ANNUAL GENERAL MEETING
PROXY FORM
IMPORTANT

This form of Proxy duly completed must be deposited at our Shares Registrar Transfer Agent **BMF Consultants Pakistan (Private) Ltd.** Anum Estate Building, Room No. 310 & 311, 3rd Floor, 49, Darul Aman Society, Main Shahrah-e-Faisal, Adjacent Baloch Colony Bridge, Karachi-75350, Pakistan. Not later than 48 hours before the time of holding the meeting A Proxy should also be a member of the Company.

I/We _____ of
_____ being a member
of **Dewan Sugar Mills Limited** and holder of _____
_____ Ordinary shares as per Registered Folio No./CDC
Participant's ID and Account No _____ hereby appoint
_____ of
_____ who is also
member of **Dewan Sugar Mills Limited** vide Registered Folio No./CDC Participant's ID
and Account No. _____ my/our proxy to vote for me/our behalf at the 37th Annual General
Meeting of the Company to be held on **Monday, January 28, 2019, at 11:00 a.m.**
adjournment thereof.
Signed this _____ day of _____ 2019.

Affix
Revenue
Stamp
Rs. 5/-

Signature _____

Witness: _____

Signature

Name: _____

Address: _____

Witness: _____

Signature

Name: _____

Address: _____

پراکسی فارم ۳۷واں سالانہ اجلاس عام

اہم اعلان

یہ پراکسی فارم مکمل پر کر کے ہمارے رجسٹرار شیئر ٹرانسفر ایجنٹ، بی ایم ایف کنسلٹنٹ (پرائیوٹ) لمیٹڈ، انعم اسٹیٹ بلڈنگ، روم نمبر 310 اور 311، تیسری منزل، 49، دارالمان سوسائٹی، شاہراہ فیصل، ملحقہ بلوچ کالونی پل، کراچی۔ 75350، پاکستان۔ کے آفس میں، میٹنگ کے انعقاد سے اڑتالیس گھنٹے پہلے یہ فارم ضرور جمع کروادیں، کسی بھی پراکسی کا کمپنی کا ممبر ہونا ضروری ہے۔

میں / ہم _____ کا (مکمل پتہ)

_____ بحیثیت ممبر

دیوان شوگر ملز لمیٹڈ کے _____ حصص کے مالک، رجسٹرڈ فوئیو نمبر /

سی ڈی سی آئی ڈی اور کھاتہ نمبر _____ میں

بطور پراکسی تقرر کرتا / کرتی ہوں _____ کا (مکمل پتہ)

جو بذات خود بھی _____

_____ دیوان شوگر ملز لمیٹڈ

سی ڈی سی آئی ڈی اور کھاتہ نمبر _____

جو کہ میری / ہماری غیر موجودگی کی صورت میں کمپنی کے ۳۷واں سالانہ اجلاس عام جو کہ بروز پیر، ۲۸ جنوری ۲۰۱۹ کو صبح ۱۱:۰۰ بجے، ہے، میری / ہماری جانب سے ووٹ دے۔

بطور گواہ میں / ہم نے بروز _____ بتاریخ _____ ۲۰۱۹ کو میرے / ہمارے ہاتھ سے مہر لگائی۔

Affix
Revenue
Stamp
Rs. 5/-

دستخط _____

گواہ: _____

نام: _____

مکمل پتہ: _____

گواہ: _____

نام: _____

مکمل پتہ: _____