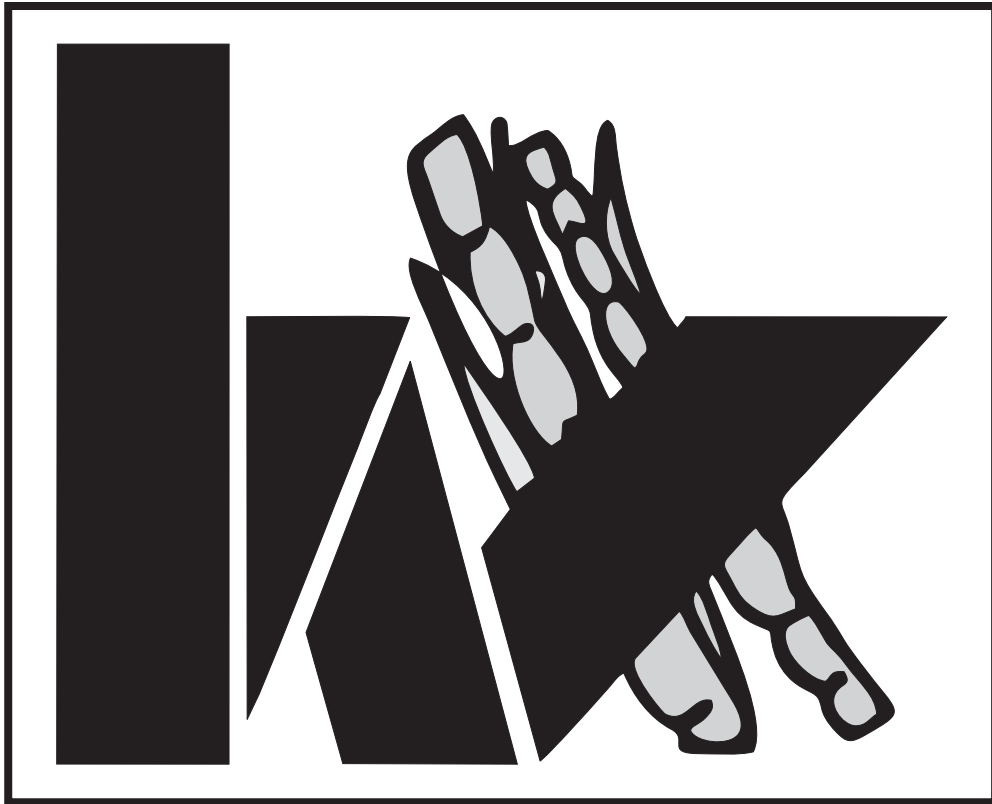


Annual Report 2021



HASEEB WAQAS SUGAR MILLS LIMITED



CONTENTS	PAGE
1. Company's Vision & Mission Statements	1
2. Company Information	2
3. Notice of Annual General Meeting	3 - 9
4. Chairman's Review	10 - 14
5. Directors' Report	15 - 24
6. Six Years Review at a Glance	25
7. Pattern of Shareholding	26 - 31
8. Statement of Compliance with the Best Practice of Code of Corporate Governance	32 - 34
9. Independent Auditor's Report	35 - 39
10. Balance Sheet	40
11. Profit & Loss Account	41
12. Statement of Comprehensive Income	42
13. Statement of Cash Flows	43
14. Statement of Changes in Equity	44
15. Notes of the Financial Statement	45 - 74
16. Proxy Form	75



Vision & Mission Statements

THE VISION

To be the leader in Sugar Industry by building the Company's image through quality improvement, customers' satisfaction and by maintaining a high level of Ethical and Professional Standards through the Optimum use of Resources.

THE MISSION

- Endeavoring to be the market leader by enhancing market share and to conduct business in the best possible manner by using high level of Ethical and Professional Standards.
- Seeking long term and good trading relations with customers and suppliers with fair, honest and mutually profitable dealings.
- Building an excellent reputation of our organization and to maintain high professional and ethical standards with eyes on the future.
- Offering high quality products according to the highest international standards.
- Continuous enhancement in shareholders' value through teamwork and constant improvement in performance in all operating areas in a competitive business environment.
- Providing congenial work environment, where employees are treated with respect and dignity and work as a team for common goals.
- Contributing to the national economy by uplifting and skills diversification of the people through fulfillment of our social responsibilities.



Company Information

Board of Directors

1. Mr. Raza Mustafa
2. Mian Haseeb Ilyas
3. Mian Waqas Riaz
4. Mrs. Yasmin Riaz
5. Mrs. Zainab Waqas
6. Mrs. Shahzadi Ilyas
7. Mrs. Zakia Ilyas
8. Miss. Aqsa Riaz

- Chairman
Director/Chief Executive
Director
Director
Director
Director
Director
Director

Audit Committee

1. Mian Waqas Riaz (Chairman)
2. Mrs. Zakia Ilyas (Member)
3. Mrs. Yasmin Riaz (Member)

Human Resource & Remuneration Committee

1. Mian Waqas Riaz (Chairman)
2. Mrs. Zainab Waqas (Member)
3. Mrs. Zakia Ilyas (Member)

Company Secretary

Mr. Ansar Ahmed, FCA
Tel: 042-35917313
Email: cs@hwgc.com.pk

Chief Financial Officer

Syed Mubashar Hussain Bukhari
Tel: 042-35917313
Email: hwgc@hwgc.com.pk

Auditors

M/s Qadeer & Company
Chartered Accountants
32-A, Lawrence Road, Lahore

Registrar

Hameed Majeed Associates (Pvt.) Limited
H.M. House, 7-Bank Square, Lahore

Mills

Mouza Jagmal, Tehsil Jattoi
District. Muzaffargarh

Registered Office

06-F, Model Town, Lahore
Tel: 042-35917321-23
Fax: 042-35917317
Website: www.hwgc.com.pk

Bankers

National Bank of Pakistan
Sindh Bank Limited
The Bank of Punjab

Legal Advisor

Muhammad Ahsan Khan
(Advocate)



HASEEB WAQAS SUGAR MILLS LIMITED NOTICE OF 30TH ANNUAL GENERAL MEETING

Notice is hereby given that the **30th Annual General Meeting of Haseeb Waqas Sugar Mills Limited** will be held at its Registered Office, 06-F, Model Town, Lahore on **Tuesday, 25 January 2022 at 09:00 a.m.** to transact the following business:-

1. To confirm the minutes of the 29th Annual General Meeting held on 18 June 2021.
2. To receive, consider and adopt the Annual Audited Accounts of the Company for the year ended 30 September 2021 together with Directors' and Auditors' Report thereon.
3. To elect 08 (eight) Directors of the Company as fixed by the Board of Directors under Section 159 (1) of the Companies Act, 2017, for a term of next three years. The names of the retiring Directors are given hereunder:-

- | | |
|------------------------|----------------------|
| 1. Mr. Raza Mustafa | 2. Mian Haseeb Ilyas |
| 3. Mian Waqas Riaz | 4. Mrs. Yasmin Riaz |
| 5. Mrs. Zainab Waqas | 6. Mrs. Zakia Ilyas |
| 7. Mrs. Shahzadi Ilyas | 8. Miss. Aqsa Riaz |

(The retiring Directors are eligible for re-election.)

4. To appoint Auditors of the Company for the year ending 30 September 2022 and to fix their remuneration. The retiring auditors M/S Qadeer & Company, Chartered Accountants, being eligible, have offered themselves for re-appointment.
5. To transact any other business with the permission of the Chair.

By Order of the Board

(ANSAR AHMED)
Company Secretary

Place: **Lahore**
Dated: **03 January 2022**

Notes:

1. The Members Register will remain closed from 18 January 2022 to 25 January 2022 (both days inclusive). Transfers received at Hameed Majeed Associates (Pvt.) Limited, H.M. House, 7-Bank Square, Lahore, the Registrar and Shares Transfer Office of the Company, by the close of business on 17 January 2022 will be treated in time for the purpose of Annual General Meeting.
2. Any member who seeks to contest election of Directors whether he/she is a retiring Director or otherwise, file with the Company, not later than 14 days before the date of the meeting at which election are to be held, a notice of his/her intention for offer himself/herself for election as a Director. Declaration in



- accordance with the Listing Regulations along with consent to act as Director under Section 159(3) of the Companies Act, 2017.
3. A member eligible to attend and vote at the meeting may appoint another member as proxy to attend and vote in the meeting. Proxies in order to be effective must be received by the company at the Registered Office not later than 48 hours before the time for holding the meeting.
 4. In order to be valid, an instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney, must be deposited at the Registered Office of the Company, 06-F, Model Town, Lahore, not less than 48 hours before the time of the meeting.
 5.
 - a) individual beneficial owners of CDC entitled to attend and vote at the meeting must bring his/her participant ID and account/sub-account number along with original CNIC or passport to authenticate his/her identity. In case of Corporate entity, resolution of the Board of Directors/Power of Attorney with specimen signatures of nominees shall be produced (unless provided earlier) at the time of meeting.
 - b) For appointing of proxies, the individual beneficial owners of CDC shall submit the proxy form as per above requirement along with participant ID and account/sub account number together with attested copy of their CNIC or Passport. The proxy form shall be witnessed by two witnesses with their names, addresses and CNIC numbers. The proxy shall produce his/her original CNIC or Passport at the time of meeting. In case of Corporate entity, resolution of the Board of Director/Power of Attorney along with specimen signatures shall be submitted (unless submitted earlier) along with the proxy form.
 6. As per Section 72 of the Companies Act, 2017 every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission.

The shareholders having physical shareholding are encouraged to open CDC sub account with any of the brokers or Investor Account directly with CDC to place their physical shares into scrip less form, this will facilitate them in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.
 7. Members are requested to notify any change in their registered address immediately.

STATEMENT OF MATERIAL FACTS UNDER SECTION 166(3) OF THE COMPANIES ACT 2017

Agenda Item No. 3 Election of Directors

The term of office of the present Directors of the Company will expire on 25 December 2022. In term of Section 159(1) of the Companies Act, 2017, the Board of Directors in its Board meeting has fixed the number of elected Directors at 08 (Eight) to be elected in the Annual General Meeting of the Company for the period of next three years.



Any person who seeks to contest the election to the office of a Director, whether he/she is retiring directors or otherwise, shall file with the Company Secretary, at the Registered Office of the Company located at 06-F Model Town Lahore not later than fourteen (14) days before the date of Annual General Meeting, the following documents”:

1. His/her folio number/CDC Investors Account number CDC Participant number /Sub Account number;
2. Notice of his/her intention to offer himself/herself for election of directors in terms of Section 159(3) of the Act, together with the consent to act as Director in Form_28 prescribed under the Companies Act, 2017;
3. A detailed profile along with office address as required under SECP SRO1196(1)2019 dated 03 October 2019;
4. A director must be a member of the company at the time of filing of his/her consent for contesting election of Directors except a person representing a member, which is not a natural person;
5. A declaration confirming that:
 - a) He/she is aware of his/her duties and powers under the relevant laws, Memorandum and Articles of Association of the Company and listing regulations of Pakistan Stock Exchange; and
 - b) He/she is not ineligible to become a director of a listed company under any provision of the Act, the Listed Companies (Code of Corporate Governance) Regulation, 2019 and any other applicable law, rules and regulations.
6. Independent Director(s) will be elected through the process of election of Director in terms of Section 159 of the Act and they shall meet the criteria laid down in Section 166 of the Act, and the Companies (manner and selection of independent Directors) Regulations, 2018.



حسیب وقاص شوگر ملز لمیٹڈ

30ویں سالانہ عام اجلاس کا نوٹس

اطلاع دی جاتی ہے کہ حسیب وقاص شوگر ملز لمیٹڈ کا 30 واں سالانہ اجلاس اس کے رجسٹرڈ آفس، F-06، ماڈل ٹاؤن، لاہور میں منگل 25 جنوری 2022 09:00 am بجے منعقد ہوگا۔ درج ذیل کاروبار کے لیے:-

1. 18 جون 2021 کو منعقدہ 29ویں سالانہ جنرل میٹنگ کے منٹس کی تصدیق کرنے کے لیے۔

2. ڈائریکٹرز اور آڈیٹرز کی رپورٹ کے ساتھ 30 ستمبر 2021 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ اکاؤنٹس وصول کرنے، غور کرنے اور اپنانے کے لیے۔

3. کمپنی کے 08 (آٹھ) ڈائریکٹروں کو منتخب کرنا جیسا کہ کمپنیز ایکٹ 2017 کے سیکشن 159 (1) کے تحت بورڈ آف ڈائریکٹرز نے اگلے تین سال کی مدت کے لیے مقرر کیا ہے۔ ریٹائر ہونے والے ڈائریکٹرز کے نام ذیل میں دیئے گئے ہیں:-

- | | |
|---------------------|--------------------|
| 1. مسٹر رضا مصطفیٰ | 2. میاں حسیب الیاس |
| 3. میاں وقاص ریاض | 4. یاسمین ریاض |
| 5. مسز زینب وقاص | 6. ذکیہ الیاس |
| 7. مسز شہزادی الیاس | 8. مس۔ اقصیٰ ریاض |

(ریٹائر ہونے والے ڈائریکٹرز دوبارہ انتخاب کے اہل ہیں۔)

4. 30 ستمبر 2022 کو ختم ہونے والے سال کے لیے کمپنی کے آڈیٹرز کا تقرر کرنا اور ان کے معاوضے کا تعین کرنا۔ ریٹائر ہونے والے آڈیٹرز S/M قدیر اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، اہل ہوتے ہوئے، نے خود کو دوبارہ تقرری کے لیے پیش کیا ہے۔

5. چیئر کی اجازت سے کوئی دوسرا کاروبار کرنا۔

بورڈ کے حکم سے

(انصار احمد)
کمپنی سیکرٹری

مقام: لاہور

تاریخ: 03 جنوری 2022



نوٹس:

1. ممبران رجسٹر 18 جنوری 2022 سے 25 جنوری 2022 تک بند رہے گا (دونوں دن سمیت)۔
حمید مجید ایسوسی ایٹس (پرائیویٹ) لمیٹڈ میں موصول ہونے والی منتقلی، M.H. ہاؤس، 7-بینک اسکوائر، لاہور، کمپنی کے رجسٹرار اور حصص کی منتقلی کا دفتر، 17 جنوری 2022 کو کاروبار کے اختتام تک سالانہ جنرل میٹنگ کے مقصد سے بروقت علان کیا جائے گا۔

2. کوئی بھی ممبر جو ڈائریکٹرز کا انتخاب لڑنا چاہتا ہے خواہ وہ ریٹائر ہونے والا ڈائریکٹر ہو یا دوسری صورت میں، کمپنی کے پاس فائل، میٹنگ کی تاریخ سے 14 دن پہلے جس میں الیکشن ہونا ہے، اس کا نوٹس بطور ڈائریکٹر انتخاب کے لیے خود کو پیش کرنے کا اس کا ارادہ۔ کمپنیز ایکٹ، 2017 کے سیکشن 159(3) کے تحت ڈائریکٹر کے طور پر کام کرنے کی رضامندی کے ساتھ فہرست سازی کے ضوابط کے مطابق اعلامیہ۔

3. میٹنگ میں شرکت اور ووٹ دینے کا اہل ممبر کسی دوسرے ممبر کو میٹنگ میں شرکت اور ووٹ دینے کے لیے بطور پراکسی مقرر کر سکتا ہے۔ مؤثر ہونے کے لیے پراکسی کمپنی کو رجسٹرڈ آفس میں میٹنگ کے انعقاد کے وقت سے 48 گھنٹے پہلے موصول ہونی چاہیے۔

4. درست ہونے کے لیے، پراکسی کا ایک آلہ اور پاور آف اٹارنی یا دیگر اتھارٹی (اگر کوئی ہے) جس کے تحت اس پر دستخط کیے گئے ہیں، یا ایسے پاور آف اٹارنی کی نوٹری سے تصدیق شدہ کاپی، کو رجسٹرڈ آفس میں جمع کرانا ضروری ہے۔ کمپنی، F-06، ماڈل ٹاؤن، لاہور، میٹنگ کے وقت سے کم از کم 48 گھنٹے پہلے۔

5. (a) میٹنگ میں شرکت اور ووٹ دینے کے حقدار CDC کے انفرادی فائدہ مند مالکان کو اپنی شناخت کی توثیق کرنے کے لیے اپنی شرکت کنندہ کی شناخت اور اکاؤنٹ/ذیلی اکاؤنٹ نمبر اصل CNIC یا پاسپورٹ کے ساتھ لانا چاہیے۔ کارپوریٹ ادارے کی صورت میں، میٹنگ کے وقت بورڈ آف ڈائریکٹرز/پاور آف اٹارنی کی ریزولوشن جس میں نامزد افراد کے نمونے کے دستخط ہوں گے (جب تک کہ فراہم کنندہ پہلے نہ ہو)۔

(b) پراکسیوں کی تقرری کے لیے، سی ڈی سی کے انفرادی فائدہ مند مالکان کو اوپر کی ضرورت کے مطابق پراکسی فارم کے ساتھ شریک کی شناخت اور اکاؤنٹ/سب اکاؤنٹ نمبر کے ساتھ اپنے CNIC یا پاسپورٹ کی تصدیق شدہ کاپی کے ساتھ جمع کرانا ہوگا۔ پراکسی فارم کو دو گواہان کے نام، پتے اور CNIC نمبر کے ساتھ گواہی دی جائے گی۔ پراکسی میٹنگ کے وقت اپنا اصل CNIC



یا پاسپورٹ پیش کرے گا۔ کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز/پاور آف اٹارنی کا ریزولوشن پر اسی فارم کے ساتھ نمونہ دستخطوں کے ساتھ جمع کیا جائے گا (جب تک کہ پہلے جمع نہ کیا گیا ہو)۔

کمپنیز ایکٹ، 2017 کے سیکشن 72 کے مطابق ہر موجودہ لسٹڈ کمپنی کو اپنے فزیکل حصص کو بک انٹری فارم کے ساتھ اس طریقے سے تبدیل کرنا ہوگا جیسا کہ بیان کیا گیا ہے اور کمیشن کے ذریعہ مطلع کردہ تاریخ کو تشکیل دینا ہوگا۔

فزیکل شیئر ہولڈنگ رکھنے والے شیئر ہولڈرز کی حوصلہ افزائی کی جاتی ہے کہ وہ کسی بھی بروکر کے ساتھ سی ڈی سی ذیلی اکاؤنٹ کھولیں یا سی ڈی سی کے ساتھ براہ راست انویسٹر اکاؤنٹ کھولیں تاکہ اپنے فزیکل شیئرز کو آپ کے والٹ میں کم شکل میں ڈالیں، یہ انہیں کئی طریقوں سے سہولت فراہم کرے گا، بشمول محفوظ تحویل اور حصص کی فروخت، جب بھی وہ چاہیں، کیونکہ پاکستان اسٹاک ایکسچینج کے موجودہ ضوابط کے مطابق فزیکل شیئرز کی تجارت کی اجازت نہیں ہے۔

7. اراکین سے درخواست کی جاتی ہے کہ وہ اپنے رجسٹرڈ ایڈریس میں کسی بھی قسم کی تبدیلی کو فوری طور پر مطلع کریں۔

کمپنیز ایکٹ 2017 کے سیکشن 166(3) کے تحت مادی حقائق کا بیان

ایجنڈا آئٹم نمبر 3 ڈائریکٹرز کا انتخاب

کمپنی کے موجودہ ڈائریکٹرز کی مدت ملازمت 25 دسمبر 2022 کو ختم ہو جائے گی۔ کمپنیز ایکٹ 2017 کے سیکشن 159(1) کے تحت بورڈ آف ڈائریکٹرز نے اپنے بورڈ میٹنگ میں منتخب ڈائریکٹرز کی تعداد 08 مقرر کی ہے۔ (آٹھ) اگلے تین سال کی مدت کے لیے کمپنی کے سالانہ اجلاس عام میں منتخب کیے جائیں گے۔

کوئی بھی شخص جو ڈائریکٹر کے عہدے کے لیے الیکشن لڑنا چاہتا ہے، چاہے وہ ریٹائر ہو رہا ہو یا بصورت دیگر، کمپنی کے سیکرٹری کے پاس، F-06 ماڈل ٹاؤن لاہور میں واقع کمپنی کے رجسٹرڈ آفس میں جمع کرائے گا۔ سالانہ اجلاس عام کی تاریخ سے چودہ (14) دن پہلے درج ذیل دستاویزات:



1. اس کا فولیو نمبر/سی ڈی سی انویسٹرس اکاؤنٹ نمبر سی ڈی سی شریک نمبر/سب اکاؤنٹ نمبر؛
2. کمپنیز ایکٹ، 2017 کے تحت تجویز کردہ فارم-28 میں ڈائریکٹرز کے طور پر کام کرنے کی رضامندی کے ساتھ، ایکٹ کے سیکشن 159(3) کے مطابق ڈائریکٹرز کے انتخاب کے لیے اپنے آپ کو پیش کرنے کے ارادے کا نوٹس؛
3. SECP SRO 1196(1)2019 مورخہ 03 اکتوبر 2019 کے تحت دفتر کے پتے کے ساتھ ایک تفصیلی پروفائل؛
4. ڈائریکٹرز کے انتخاب میں حصہ لینے کے لیے اپنی رضامندی داخل کرنے کے وقت ڈائریکٹر کو کمپنی کا رکن ہونا چاہیے، سوائے اس شخص کے جو کسی رکن کی نمائندگی کرتا ہو، جو کہ فطری شخص نہیں ہے۔
5. ایک اعلان اس بات کی تصدیق کرتا ہے کہ:
 - (ا) وہ متعلقہ قوانین، میمورنڈم اور ایسوسی ایشن آف دی کمپنی کے آرٹیکلز اور پاکستان اسٹاک ایکسچینج کے لسٹنگ کے ضوابط کے تحت اپنے فرائض اور اختیارات سے واقف ہے۔ اور
 - (ب) وہ ایکٹ، لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشن، 2019 اور کسی دوسرے قابل اطلاق قانون، قواعد و ضوابط کے کسی بھی شق کے تحت لسٹڈ کمپنی کا ڈائریکٹر بننے کے لیے نااہل نہیں ہے۔
6. آزاد ڈائریکٹرز کا انتخاب ایکٹ کے سیکشن 159 کے مطابق ڈائریکٹرز کے انتخاب کے عمل کے ذریعے کیا جائے گا اور وہ ایکٹ کے سیکشن 166 میں بیان کردہ معیار پر پورا اتریں گے، اور کمپنیاں (آزاد ڈائریکٹرز کا طریقہ اور انتخاب ضابطے، 2018۔



HASEEB WAQAS SUGAR MILLS LIMITED Chairman's Review

A Review Report by the Chairman on Board's overall performance and effectiveness of role played by the Board in achieving the Company's objectives u/s 192 of the Companies Act 2017.

As required under the Code of Corporate Governance, an annual evaluation of the Board of Directors (the "Board") of Haseeb Waqas Sugar Mills Limited (the "Company") is carried out. The purpose of this 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. Areas where improvements are required are duly considered and action plans are framed.

I am pleased to present the Annual Review for the year ended 30 September 2021:

- The Board of Directors ("the Board") of Haseeb Waqas Sugar Mills Limited, has performed their duties diligently in upholding the best interest of shareholders' of the Company and has managed the affairs of the Company in an effective and efficient manner.
- The Board of Haseeb Waqas Sugar Mills Limited is highly professional and experienced people. They bring a vast experience including the independent director. All board members are well aware of their responsibilities and fulfilling these diligently.
- The Board has adequate representation of non-executive and independent directors on the Board and its committees as required under the Code and that members of the Board and its respective committees has adequate skill experience and knowledge to manage the affairs of the Company;
- The Board has ensured that the directors are provided with orientation courses to enable them to perform their duties in an effective manner. Due to ongoing COVID pandemic situation of the country, the Board unable arranged Directors Training Program for one of our Director Miss. Aqsa Riaz. and the remaining directors meet the qualification and experience criteria of the Code.
- The Board has formed an Audit and Human Resource and Remuneration Committee and has approved their respective terms of references and has assigned adequate resources so that the committees perform their responsibilities diligently.



- The Board has ensured that the meetings of the Board and that of its committee were held with the requisite quorum, all the decision making were taken through Board resolution and that the minutes of all the meetings (including committees) are appropriately recorded and maintained.
- The Board has actively participated in strategic planning process enterprise risk management system, policy development, and financial structure, monitoring and approval. All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision making process.
- All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision making process and particularly all the related party transactions executed by the Company were approved by the Board on the recommendation of the Audit Committee.
- The Board has ensured that the adequate system of internal control is in place and its regular assessment through self-assessment mechanism and /or internal audit activities.
- The Board has prepared and approved the director's report and has ensured that the director report is published with the quarterly and annual financial statement of the Company and the content of the director's report are in accordance with the requirement of applicable laws and regulation.
- The Board has exercised its powers in light of the power assigned to the Board in accordance with the relevant laws and regulation applicable on the Company and the Board has always prioritized the Compliance with all the applicable laws and regulation in terms of their conduct as directors and exercising their powers and decision making.
- The Board has ensured the hiring, evaluation and compensation of the Chief Executive and other key executives including Chief Financial Officer, Company Secretary, and Head of internal Audit.
- The Board has ensured that adequate information is shared among its members in a timely manner and the Board members are kept abreast of developments between meetings.

I would like to place on record with thanks and appreciation to my fellow directors, shareholders, management and staff for their continued support in very challenging operating conditions. I look forward for more future success for the Company.

Lahore
03 January 2022


Raza Mustafa
Chairman



حسیب وقاص شوگر ملز لمیٹڈ چیئرمین کا جائزہ

بورڈ کی مجموعی کارکردگی اور کمپنیز ایکٹ 2017 کے تحت کمپنی کے 192 کے مقاصد کے حصول میں بورڈ کی طرف سے ادا کیے گئے کردار کے بارے میں چیئرمین کی جائزہ رپورٹ۔

جیسا کہ کوڈ آف کارپوریٹ گورننس کے تحت ضرورت ہے، حسیب وقاص شوگر ملز لمیٹڈ ("کمپنی") کے بورڈ آف ڈائریکٹرز ("بورڈ") کا سالانہ جائزہ لیا جاتا ہے۔ اس تجزیے کا مقصد اس بات کو یقینی بنانا ہے کہ بورڈ کی مجموعی کارکردگی اور تاثیر کو کمپنی کے لیے مقرر کردہ مقاصد کے تناظر میں توقعات کے خلاف ماپا اور بینچ مارک کیا جائے۔ ان شعبوں میں جہاں بہتری کی ضرورت ہے مناسب طریقے سے غور کیا جاتا ہے اور ایکشن پلان بنائے جاتے ہیں۔

مجھے 30 ستمبر 2021 کو ختم ہونے والے سال کا سالانہ جائزہ پیش کرتے ہوئے خوشی ہو رہی ہے:

- حسیب وقاص شوگر ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز ("بورڈ") نے کمپنی کے حصص یافتگان کے بہترین مفاد کو برقرار رکھنے کے لیے اپنی ذمہ داریاں پوری تندی سے نبھائی ہیں اور کمپنی کے معاملات کو موثر اور موثر انداز میں چلایا ہے۔

- حسیب وقاص شوگر ملز لمیٹڈ کا بورڈ انتہائی پیشہ ور اور تجربہ کار افراد پر مشتمل ہے۔ وہ آزاد ڈائریکٹر سمیت ایک وسیع تجربہ لاتے ہیں۔ تمام بورڈ ممبران اپنی ذمہ داریوں سے بخوبی واقف ہیں اور ان کو احتیاط سے پورا کر رہے ہیں۔

- بورڈ کے پاس بورڈ اور اس کی کمیٹیوں میں غیر ایگزیکٹو اور آزاد ڈائریکٹرز کی مناسب نمائندگی ہے جیسا کہ ضابطہ کے تحت درکار ہے اور بورڈ اور اس کی متعلقہ کمیٹیوں کے ممبران کے پاس کمپنی کے معاملات کو منظم کرنے کے لیے کافی مہارت کا تجربہ اور علم ہے؛



- بورڈ نے اس بات کو یقینی بنایا ہے کہ ڈائریکٹرز کو اورینٹیشن کورسز فراہم کیے جائیں تاکہ وہ اپنے فرائض کو مؤثر طریقے سے انجام دے سکیں۔ ملک کی جاری COVID وبائی صورتحال کی وجہ سے، بورڈ نے ہماری ایک ڈائریکٹر مس کے لیے ڈائریکٹرز کے تربیتی پروگرام کا اہتمام نہیں کیا۔ اقصیٰ ریاض۔ اور باقی ڈائریکٹرز ضابطہ کی اہلیت اور تجربے کے معیار پر پورا اترتے ہیں۔

- بورڈ نے ایک آڈٹ اور انسانی وسائل اور معاوضے کی کمیٹی تشکیل دی ہے اور اس نے ان کے متعلقہ شرائط کی منظوری دی ہے اور مناسب وسائل تفویض کیے ہیں تاکہ کمیٹیاں اپنی ذمہ داریاں احتیاط سے انجام دیں۔

- بورڈ نے اس بات کو یقینی بنایا ہے کہ بورڈ اور اس کی کمیٹی کی میٹنگیں مطلوبہ کورم کے ساتھ ہوئیں، تمام فیصلے بورڈ کی قرارداد کے ذریعے کیے گئے اور تمام میٹنگز (بشمول کمیٹیوں) کے منس کو مناسب طریقے سے ریکارڈ اور برقرار رکھا گیا ہے۔

- بورڈ نے اسٹریٹجک پلاننگ کے عمل انٹرپرائزر سک مینجمنٹ سسٹم، پالیسی ڈویلپمنٹ، اور مالیاتی ڈھانچے، نگرانی اور منظوری میں فعال طور پر حصہ لیا ہے۔ کارپوریٹ فیصلہ سازی کے عمل کو مضبوط اور باضابطہ بنانے کے لیے سال بھر کے تمام اہم مسائل بورڈ یا اس کی کمیٹیوں کے سامنے پیش کیے گئے۔

- کارپوریٹ فیصلہ سازی کے عمل کو مضبوط اور باضابطہ بنانے کے لیے سال بھر کے تمام اہم امور بورڈ یا اس کی کمیٹیوں کے سامنے پیش کیے گئے تھے اور خاص طور پر کمپنی کے ذریعے کیے گئے تمام متعلقہ فریق لین دین کو بورڈ نے آڈٹ کمیٹی کی سفارش پر منظور کیا تھا۔

- بورڈ نے اس بات کو یقینی بنایا ہے کہ اندرونی کنٹرول کا مناسب نظام موجود ہے اور خود تشخیصی طریقہ کار اور/یا اندرونی آڈٹ سرگرمیوں کے ذریعے اس کا باقاعدہ جائزہ لیا جاتا ہے۔

- بورڈ نے ڈائریکٹر کی رپورٹ تیار اور منظور کر لی ہے اور اس بات کو یقینی بنایا ہے کہ ڈائریکٹر کی رپورٹ کمپنی کے سہ ماہی اور سالانہ مالیاتی بیان کے ساتھ شائع کی جائے اور ڈائریکٹر کی رپورٹ کا مواد قابل اطلاق قوانین اور ضابطوں کے تقاضوں کے مطابق ہو۔



- بورڈ نے کمپنی پر لاگو متعلقہ قوانین اور ضابطوں کے مطابق بورڈ کو تفویض کردہ اختیارات کی روشنی میں اپنے اختیارات کا استعمال کیا ہے اور بورڈ نے بطور ڈائریکٹران کے طرز عمل کے لحاظ سے تمام قابل اطلاق قوانین اور ضابطوں کی تعمیل کو ہمیشہ ترجیح دی ہے۔ اور اپنے اختیارات اور فیصلہ سازی کا استعمال۔

- بورڈ نے چیف ایگزیکٹو اور چیف فنانشل آفیسر، کمپنی سیکرٹری، اور ہیڈ آف انٹرنل آڈٹ سمیت دیگر اہم ایگزیکٹوز کی خدمات حاصل کرنے، تشخیص اور معاوضے کو یقینی بنایا ہے۔

- بورڈ نے اس بات کو یقینی بنایا ہے کہ اس کے اراکین کے درمیان بروقت مناسب معلومات کا اشتراک کیا جائے اور بورڈ کے اراکین کو میٹنگوں کے درمیان ہونے والی پیش رفت سے باخبر رکھا جائے۔

میں اپنے ساتھی ڈائریکٹرز، شیئر ہولڈرز، انتظامیہ اور عملے کا بہت ہی مشکل آپریٹنگ حالات میں مسلسل تعاون کے لیے شکریہ اور تعریف کے ساتھ ریکارڈ پر رکھنا چاہوں گا۔ میں کمپنی کے لیے مستقبل میں مزید کامیابیوں کا منتظر ہوں۔

لاہور

03 جنوری 2022


رضا مصطفیٰ چیئرمین



DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Directors of your Company take pleasure in presenting the Company's 30th Annual Report and Audited Financial Statements for the year ended 30 September 2021 together with the Auditors' Report thereon.

FINANCIAL INDICATORS

The financial results of your company for the year ended 30 September 2021 are summarized as follows:

	For the year ended 30 September 2021 (Rupees)	
	2021	2020
Net Sales	-	-
Gross Profit/ (Loss)	(160,043,178)	(168,405,487)
Net Profit / (Loss) before tax	(339,340,304)	(411,015,860)
Net Profit (Loss) after tax	(308,816,916)	(362,123,497)
Basic Earning	(9.53)	(11.18)

As per the order of Supreme Court of Pakistan, we could not operate mills at current location hence incurred losses.

The Company moved an application to Ministry of Industries, under Section 3 of the Punjab Industries (Control on Establishment and Enlargement) Ordinance, 1963. The application has been turned down by Ministry of Industries. The Company is also moving an petition against the same in Lahore High Court, Lahore.

The financial statements of the Company indicate that during the year, the Company incurred loss amounting to Rs.308.816 million (September 30, 2020: Rs.362, 123 million) and accumulated losses raised to Rs. 4,082.67 million (September 30, 2020: Rs. 3,837.97 million) at the year end. In addition, the Company's current liabilities exceeded its current assets by Rs. 4,0006.10 million (September 30, 2020: Rs. 3,825.48 million) at the year end.



AUDITOR'S QUALIFICATION

Regarding auditors' qualification, we would like to submit as under:

1. Since shifting of sugar mill from Nankana to Muzaffargarh, challenged by Southern Punjab sugar mills therefore we could not run the mill at its present location due to various court orders, which resulted huge losses and severe financial crunch hence the bank loan defaulted and financial institutions filed recovery suit for the same.
2. Due to the factor stated above, we could not pay sales tax, therefore FBR blacklisted our unit.

OPERATIONAL MEASURES

We would like to submit that till the company has sufficient funds either to bring it back to its original location as ordered by Supreme Court of Pakistan or we get relief from Government of Punjab in the shape of approval under section 3 of the Punjab Industries (Control & Enlargement) Ordinance, 1963 which we apprehend to get the same by filing writ petition in Lahore High Court, Lahore. There is no way out to be seen in future.

In view of above issues Company has taken following mitigating steps:

- Shifting of mill to Alipur Jatoi, Muzaffargarh has been completed where sugar cane availability and sugar recovery are better.
- BMR done and we will see impact of this BMR in the financials of coming season.

The management foresees positive cash flow from future operations in expectation of better availability of sugar cane and sugar prices in coming seasons, since sugar dynamics are good and rising.

The projected financial statements prepared by the management to support its going concern assessment is based on following assumptions:

	Projected		
	2022	2023	2024
Sugar Cane crushing M.T	780,000	800,000	800,000
Sugar Cane rate	220	230	240
Sugar Price per kg	80	85	90

However, it is believed that considering the mitigating factors set out in the preceding paragraphs, the going concern assumption is appropriate and has, as such, prepared these financial statements on a going concern basis.



CHANGES ON THE BOARD OF DIRECTORS

Since the last Annual General Meeting there is no change in the Board of Directors of the Company.

FUTURE OUTLOOK

The Management of the company moved an application to Ministry of Industries, under section 3 of the Punjab Industries (Control & Enlargement) Ordinance, 1963. The application has been turned down by the Ministry of Industries. The management is in process of moving petition against the same in Lahore High Court, Lahore.

DIVIDEND

As the Company is in the phase of heavy losses, therefore, no dividend is being declared.

AUDITORS

The present auditors M/s Qadeer & Co., Chartered Accountants, are retiring and being eligible, have offered themselves for re-appointment for the ensuing year. The Audit Committee has recommended the re-appointment of M/s Qadeer & Co., Chartered Accountants, as auditors of the Company for year ending 30 September 2022.

CODE OF CORPORATE GOVERNANCE

During the financial year 2021 “Listed Companies (Code of Corporate Governance) Regulations” has been implemented which requires certain changes in the composition of the Board and its Committee.

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK:

The following statements are a manifestation of its commitment towards compliance with best practices of Code of Corporate Governance:-

- The financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of accounts have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment.



- International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and departure there from, if any, has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented by the management and monitored by internal and external Auditors as well as Audit Committee. The Board reviews the effectiveness of established internal control through Audit Committee and further improvement in the internal control systems, wherever required.
- There are no doubts upon the Company's ability to continue as a going concern. The Company has adequate resources to continue in operation for the foreseeable future.
- There has been no material departure from the best practices of the Corporate Governance as detailed in the Listing Regulations.
- Key operating and financial data of last six years, in summarized form, is annexed.
- Information about outstanding taxes and other government levies are given in related note(s) to the accounts.
- The company strictly complies with the standard of safety rules & regulations. It also follows environmental friendly policies.
- During the year under review, Four (04) meetings of the Board of Directors were held. The attendance by each Director is as follows:

<i>Sr. No.</i>	<i>Name of Directors</i>	<i>Attendance</i>
1.	Mr. Raza Mustafa	04
2.	Mian Haseeb Ilyas (CEO)	04
3.	Mian Waqas Riaz	04
4.	Mrs. Zainab Waqas	04
5.	Mrs. Shahzadi Ilyas	04
6.	Mrs. Zakia Ilyas	04
7.	Mrs. Yasmin Riaz	04
8.	Miss. Aqsa Riaz	04

- The Statement of Code of Ethics and Business Practices has been developed and duly signed by the directors and employees of the Company in acknowledgement thereof.
- The Board has constituted an Audit Committee in compliance with the Code of Corporate Governance. It comprises of the following three (3) members who are Non-Executive Directors;

<i>Sr. No.</i>	<i>Designation</i>
1.	Mian Waqas Riaz Chairman
2.	Mrs. Zakia Ilyas Member
3.	Mrs. Yasmin Riaz Member



- A statement of the pattern of shareholdings and additional information as at September 30, 2021 is annexed.
- No trading of shares by the Directors, Chief Executive, and Chief Financial Officer, Company Secretary and their spouses & minor children has been carried out during the year.
- All the major decisions relating to investment or disinvestment of funds, changes in significant policies and overall corporate strategies, appointment, remuneration and terms & conditions of appointment of Chief Executive Officer and Executive Directors are taken over by the Board of Directors.

ACKNOWLEDGEMENT:

The Board expresses sincere appreciation to sugarcane growers, valuable customers, regulatory departments of the Government, financial institution and acknowledges the continued interest and support of esteemed shareholders and extremely grateful for their trust and confidence.

The directors deeply appreciate devotion, loyalty hard work and the laudable services rendered by the executives, all the employees and workers of the Company at its various divisions which enable us to pursue our corporate objectives with the renewed vigor.

On behalf of the Board

MIAN HASEEB ILYAS
CHIEF EXECUTIVE

Lahore,
Dated: January 03, 2022



ڈائریکٹرز کی رپورٹ
30 ستمبر 2021 کو ختم ہونے والے سال کے لیے

آپ کی کمپنی کے ڈائریکٹرز 30 ستمبر 2021 کو ختم ہونے والے سال کے لیے کمپنی کی 30 ویں سالانہ رپورٹ اور آڈٹ شدہ مالیاتی گوشواروں کے ساتھ اس پر آڈیٹرز کی رپورٹ پیش کرنے میں خوشی محسوس کرتے ہیں۔

مالیاتی اشارے

30 ستمبر 2021 کو ختم ہونے والے سال کے لیے آپ کی کمپنی کے مالی نتائج کا خلاصہ درج ذیل ہے:

	ختم ہونے والے سال کے لیے 30 ستمبر 2021 (روپے)	
	2021	2020
خالص فروخت مجموعی منافع / (نقصان)	-	-
ٹیکس سے پہلے خالص منافع / (نقصان)	(160,043,178)	(168,405,487)
ٹیکس کے بعد خالص منافع (نقصان)	(339,340,304)	(411,015,860)
ٹیکس کے بعد خالص منافع (نقصان)	(308,816,916)	(362,123,497)
بنیادی آمدنی	(9.53)	(11.18)

سپریم کورٹ آف پاکستان کے حکم کے مطابق ہم موجودہ جگہ پر ملیں نہیں چلا سکتے اس لیے نقصان اٹھانا پڑا۔

کمپنی نے پنجاب انڈسٹریز (کنٹرول آن اسٹیبلشمنٹ اینڈ انلارجمنٹ) آرڈیننس 1963 کے سیکشن 3 کے تحت وزارت صنعت کو درخواست بھیجی۔ وزارت صنعت نے درخواست کو مسترد کر دیا ہے۔ کمپنی لاہور ہائی کورٹ لاہور میں اس کے خلاف ایک پٹیشن بھی دائر کر رہی ہے۔

کمپنی کے مالی بیانات بتاتے ہیں کہ سال کے دوران کمپنی کو 308.816 ملین روپے کا نقصان ہوا (30 ستمبر 2020: 362,123 ملین روپے) اور جمع شدہ نقصانات بڑھ کر روپے ہو گئے۔ سال کے آخر میں 4,082.67 ملین (30 ستمبر 2020: روپے 3,837.97 ملین)۔ اس کے علاوہ، کمپنی کی موجودہ واجبات اس کے موجودہ اثاثوں سے سال کے آخر میں RS4,0006.10 ملین (30 ستمبر 2020: روپے 3,825.48 ملین)۔



آڈیٹر کی اہلیت

آڈیٹرز کی اہلیت کے بارے میں، ہم ذیل میں عرض کرنا چاہیں گے:

1. شوگر مل کی نکانہ سے مظفر گڑھ منتقلی کے بعد سے، جنوبی پنجاب کی شوگر ملوں کی طرف سے چیلنج کیا گیا تھا، اس لیے ہم مختلف عدالتی احکامات کی وجہ سے مل کو اس کے موجودہ مقام پر نہیں چلا سکے، جس کے نتیجے میں بہت زیادہ نقصان ہوا اور شدید مالی بحران ہوا، اس لیے بینک کا قرض نادہندہ اور مالیاتی بحران کا شکار ہو گیا۔ اداروں نے اس کے لیے ریکوری کا مقدمہ دائر کیا۔
2. اوپر بیان کردہ فیکٹر کی وجہ سے، ہم سیلز ٹیکس ادا نہیں کر سکے، اس لیے FBR نے ہمارے یونٹ کو بلیک لسٹ کر دیا۔

آپریشنل اقدامات

ہم عرض کرنا چاہیں گے کہ جب تک کمپنی کے پاس کافی فنڈز نہیں ہیں یا تو سپریم کورٹ آف پاکستان کے حکم کے مطابق اسے اس کی اصل جگہ پر واپس لانا ہے یا ہمیں پنجاب انڈسٹریز (کنٹرول) کے سیکشن 3 کے تحت منظوری کی صورت میں حکومت پنجاب سے ریلیف مل جاتا ہے۔ اور توسیع آرڈیننس، 1963 جیسے ہم لاہور ہائی کورٹ، لاہور میں رٹ پٹیشن دائر کر کے حاصل کرنے کا مطالبہ کرتے ہیں۔ مستقبل میں کوئی راستہ نظر نہیں آتا۔

مندرجہ بالا مسائل کے پیش نظر کمپنی نے تخفیف کے لیے درج ذیل اقدامات کیے ہیں:

- مل کی علی پور جتوئی، مظفر گڑھ منتقلی مکمل کر لی گئی ہے جہاں گنے کی دستیابی اور چینی کی ریکوری بہتر ہے۔

• BMR ہو گیا اور ہم آنے والے سیزن کے مالیاتی معاملات میں اس BMR کا اثر دیکھیں گے۔

انتظامیہ آنے والے موسموں میں گنے کی بہتر دستیابی اور چینی کی قیمتوں کی توقع میں مستقبل کے آپریشنز سے مثبت نقد بہاؤ کی پیشین گوئی کرتی ہے، کیونکہ چینی کی حرکیات اچھی اور بڑھ رہی ہیں۔ انتظامیہ کی طرف سے اس کے جاری تشویش کے جائزے کی حمایت کرنے کے لیے تیار کردہ متوقع مالی بیانات درج ذیل مفروضوں پر مبنی ہیں:

	متوقع		
	2022	2023	2024
M.T گنے کی کرشنگ	780,000	800,000	800,000
گنے کا ریٹ	220	230	240
چینی کی قیمت فی	80	85	90

تاہم، یہ خیال کیا جاتا ہے کہ پچھلے پیراگراف میں بیان کردہ تخفیف کرنے والے عوامل پر غور کرتے ہوئے، تشویش کا مفروضہ مناسب ہے اور اس طرح، ان مالی بیانات کو جاری تشویش کی بنیاد پر تیار کیا گیا ہے۔



بورڈ آف ڈائریکٹرز میں تبدیلیاں

پچھلی سالانہ جنرل میٹنگ کے بعد سے کمپنی کے بورڈ آف ڈائریکٹرز میں کوئی تبدیلی نہیں ہوئی ہے۔

مستقبل کا آؤٹ لک کمپنی کی انتظامیہ نے پنجاب انڈسٹریز (کنٹرول اینڈ انلارجمنٹ) آرڈیننس 1963 کے سیکشن 3 کے تحت ایک درخواست وزارت صنعت کو بھیجی۔ وزارت صنعت نے درخواست کو مسترد کر دیا ہے۔ انتظامیہ اس کے خلاف لاہور ہائی کورٹ لاہور میں درخواست دائر کرنے کی کارروائی میں ہے۔

تقسیم ہونا چونکہ کمپنی بھاری خسارے کے مرحلے میں ہے، اس لیے کسی ڈیویڈنڈ کا اعلان نہیں کیا جا رہا ہے۔

آڈیٹرز

موجودہ آڈیٹرز S/M قدیر اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر ہو رہے ہیں اور اہل ہیں، نے خود کو آئندہ سال کے لیے دوبارہ تقرری کے لیے پیش کیا ہے۔ آڈٹ کمیٹی نے میسرز قدیر اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو 30 ستمبر 2022 کو ختم ہونے والے سال کے لیے کمپنی کے آڈیٹرز کے طور پر دوبارہ تعینات کرنے کی سفارش کی ہے۔

کوڈ آف کارپوریٹ گورننس مالی سال 2021 کے دوران "لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز" کو نافذ کیا گیا ہے جس کے لیے بورڈ اور اس کی کمیٹی کی ساخت میں کچھ تبدیلیوں کی ضرورت ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک پر بیان: درج ذیل بیانات کارپوریٹ گورننس کے ضابطہ اخلاق کے بہترین طریقوں کی تعمیل کے تئیں اس کے عزم کا مظہر ہیں:-

• کمپنی کی انتظامیہ کے ذریعہ تیار کردہ مالیاتی بیانات، اس کی حالت، اس کے کاموں کے نتائج، نقد بہاؤ اور ایکویٹی میں ہونے والی تبدیلیوں کو کافی حد تک پیش کرتے ہیں۔

• کھاتوں کی مناسب کتابیں برقرار رکھی گئی ہیں۔

• مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے۔ اکاؤنٹنگ تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہوتے ہیں۔



- بین الاقوامی اکاؤنٹنگ معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالیاتی گوشواروں کی تیاری میں پیروی کی گئی ہے اور وہاں سے روانگی، اگر کوئی ہے تو، مناسب طور پر ظاہر کیا گیا ہے۔
- اندرونی کنٹرول کا نظام ڈیزائن کے لحاظ سے درست ہے اور انتظامیہ کی طرف سے مؤثر طریقے سے نافذ کیا گیا ہے اور اندرونی اور بیرونی آڈیٹرز کے ساتھ ساتھ آڈٹ کمیٹی کی طرف سے نگرانی کی گئی ہے۔ بورڈ آڈٹ کمیٹی کے ذریعے قائم کردہ اندرونی کنٹرول کی تاثیر کا جائزہ لیتا ہے اور جہاں بھی ضرورت ہو، اندرونی کنٹرول کے نظام میں مزید بہتری لاتا ہے۔
- ایک جاری تشویش کے طور پر جاری رکھنے کی کمپنی کی صلاحیت پر کوئی شک نہیں ہے۔ کمپنی کے پاس مستقبل قریب میں کام جاری رکھنے کے لیے کافی وسائل ہیں۔
- کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی رخصتی نہیں ہوئی ہے جیسا کہ فہرست سازی کے ضوابط میں تفصیل سے بتایا گیا ہے۔
- پچھلے چھ سالوں کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا، خلاصہ شکل میں، منسلک ہے۔
- بقایا ٹیکسوں اور دیگر سرکاری محصولات کے بارے میں معلومات اکاؤنٹس کو متعلقہ نوٹ (نوٹوں) میں دی گئی ہیں۔
- کمپنی حفاظتی قواعد و ضوابط کے معیار کی سختی سے تعمیل کرتی ہے۔ یہ ماحول دوست پالیسیوں پر بھی عمل پیرا ہے۔
- زیر جائزہ سال کے دوران، بورڈ آف ڈائریکٹرز کی چار (04) میٹنگیں ہوئیں۔ ہر ڈائریکٹر کی حاضری حسب ذیل ہے:

سیریل نمبر	ڈائریکٹرز کے نام	حاضری
1.	مسٹر رضا مصطفیٰ	04
2.	میاں حسیب الیاس (CEO)	04
3.	میاں وقاص ریاض	04
4.	مسز زینب وقاص	04
5.	مسز شہزادی الیاس	04
6.	مسز ذکیہ الیاس	04
7.	مسز یاسمین ریاض	04
8.	مس اقصیٰ ریاض	04



• ضابطہ اخلاق اور کاروباری طرز عمل کا بیان تیار کیا گیا ہے اور کمپنی کے ڈائریکٹرز اور ملازمین نے اس کے اعتراف میں دستخط کیے ہیں۔

• بورڈ نے کوڈ آف کارپوریٹ گورننس کی تعمیل میں ایک آڈٹ کمیٹی تشکیل دی ہے۔ یہ مندرجہ ذیل تین (3) اراکین پر مشتمل ہے جو غیر ایگزیکٹو ڈائریکٹرز ہیں؛

سیریل نمبر	عہدہ	
1.	چئیرمین	میاں وقاص ریاض
2.	رکن	مسز ذکیہ الیاس
3.	رکن	مسز یاسمین ریاض

• 30 ستمبر 2021 تک شیئر ہولڈنگز کے پیٹرن اور اضافی معلومات کا بیان منسلک ہے۔
 • سال کے دوران ڈائریکٹرز، چیف ایگزیکٹو، اور چیف فنانشل آفیسر، کمپنی سیکریٹری اور ان کی شریک حیات اور نابالغ بچوں کی طرف سے حصص کی کوئی تجارت نہیں کی گئی۔
 • فنڈز کی سرمایہ کاری یا انویسٹمنٹ سے متعلق تمام اہم فیصلے، اہم پالیسیوں اور مجموعی کارپوریٹ حکمت عملیوں میں تبدیلیاں، تفری، معاوضے اور چیف ایگزیکٹو آفیسر اور ایگزیکٹو ڈائریکٹرز کی تفری کی شرائط و ضوابط بورڈ آف ڈائریکٹرز کے ہاتھ میں ہیں۔

اعتراف:

بورڈ گنے کے کاشتکاروں، قیمتی صارفین، حکومت کے ریگولیٹری محکموں، مالیاتی ادارے کی تہہ دل سے تعریف کرتا ہے اور معزز شیئر ہولڈرز کی مسلسل دلچسپی اور تعاون کو تسلیم کرتا ہے اور ان کے اعتماد اور اعتماد کا بے حد مشکور ہے۔

ڈائریکٹرز لگن، وفاداری کی محنت اور کمپنی کے مختلف ڈویژنوں میں ایگزیکٹوز، تمام ملازمین اور ورکرز کی جانب سے پیش کی جانے والی قابل تعریف خدمات کی دل کی گہرائیوں سے تعریف کرتے ہیں جو ہمیں نئے جوش کے ساتھ اپنے کارپوریٹ مقاصد کو حاصل کرنے کے قابل بناتے ہیں۔

بورڈ کی جانب سے

میاں حسیب الیاس
چیف ایگزیکٹو

لاہور

تاریخ: 03 جنوری 2022



SIX YEARS AT A GALANCE

	2,021	2,020	2,019	2,018	2,017	2,016
Operating Results	Rupees in Thousand					
Sales – Net	-			250,773	847,275	879,366
Gross profit/ (loss)	(160,043)	(164,405)	(187,476)	(340,215)	(395,609)	(565,887)
Operating profit/(loss)	(171,620)	(180,649)	(210,609)	(396,701)	(455,762)	(609,482)
Profit/(loss) before tax	(339,340)	(411,016)	(427,307)	(542,426)	(578,351)	(773,801)
Profit/(loss) after tax	(308,817)	(362,123)	(336,997)	(488,902)	(572,708)	(685,290)

FINANCIAL POSITION

Fixed assets – net	2,976,625	3,135,643	3,304,259	3,483,247	3,674,162	3,738,965
Paid up capital	324,000	324,000	324,000	324,000	324,000	324,000
Shareholder's equity	(1,593,470)	(1,284,865)	(922,841)	(597,829)	(1,737,303)	(1,434,210)
Long term liabilities	564,480	595,026	1,052,118	1,286,275	1,862,979	2,183,545
Current assets	106,831	119,835	142,836	189,585	476,748	459,795
Current liabilities	4,112,937	3,945,318	3,317,819	2,984,876	2,434,184	1,779,160
Breakup value per share (Rs)	(9.53)	(11.18)	(10.40)	(15.09)	(17.68)	(21.15)

STATISTICS

No. of employees	29	22	54	229	292	336
Sugar produced (M. Tons)	-	-	-	5,808	15,242	15,529
Crushing period (days)	-	-	-	35	72	80



HASEEB WAQAS SUGAR MILLS LIMITED

CATAGORIES OF SHAREHOLDERS AS AT 30 SEPTEMBER 2021

	Shares held	%
Directors, CEO and their spouse and Minor Children		
1 Mian Waqas Riaz	768,250	2.371
2 Mian Haseeb Ilyas	2,213,500	6.832
3 Miss Aqsa Riaz	500	0.002
4 Mrs. Zainab Waqas	333,500	1.029
5 Mrs. Yasmeen Riaz	1,305,750	4.030
6 Mr. Raza Mustafa	500	0.002
7 Mrs. Shahzadi Ilyas	2,404,100	7.420
8 Ms. Zakia Ilyas	10,382	0.032
	7,036,482	21.718
Public Sector Companies and Corporation		
Joint Stock Companies		
1 Maple Leaf Capital Limited	1	0.000
2 S.H. Bukhari Securities (Pvt.) Limited	400	0.001
3 Sarfaraz Mahmood (Pvt.) Limited	500	0.004
4 Y.S. Securities (Pvt.) Limited	1,000	0.003
5 Telesys Tech (Pvt) Limited	3,121	0.010
6 Mileage (Pvt.) Limited	7,500	0.023
7 Zafar Securities (Pvt) Limited	10,000	0.031
8 Apex Financial Services (Pvt.) Limited	15,000	0.046
9 Muhammad Bashir Kasmani (Pvt.) Limited	20,000	0.062
10 High Land Securities (Pvt.) Limited	22,500	0.069
11 Kohinoor Power Company Limited	76,500	0.236
12 Ali Hussain Rajabali Limited	592,500	1.829
13 Abdullah Sugar Mills Limited	2,900,500	8.952
	3,649,522	11.296
Banks, Developments Finance Instiutions,		
Non Banking Finance Instiutions		
1 Bank Alfalah Limited Lahore Stock Exchange Branch	800	0.002
2 The Bank of Punjab	6,700	0.021
3 Trust Leasing Corporation	9,700	0.030
	17,200	2.926
Insurance Companies		
1 Shaheen Insurance Company Limited	119	0.000
2 State Life Insurance Corp.	200	0.001
3 State Life Insurance Corp. of Pakistan	617,600	1.906
	617,919	1.907
Modaraba Companies		
1 Trust Modaraba	100	0.000
2 Trust Modaraba	5,600	0.017
3 First Punjab Modaraba	1,400	0.004
4 First Punjab Modaraba	600	0.002
	7,700	0.024
Others		
1 James Capel & Co	22,800	0.070
2 Morgan Stanly Trust & Company	14,900	0.046
3 Deutsche Bank Securities Corp.	600	0.002
4 Hong Kong Bank International	200	0.001
	38,500	0.119
General Public (Foreign)		
	10,500	0.032
	10,500	0.032
General Public Local		
	21,022,177	64.883
	21,022,177	64.883
Shareholders holding 05% or more voting interst in the Company		
1 Mian Muhammad Ilyas Miraj	4,566,500	14.09
2 Abdullah Sugar Mills Limited	2,900,500	8.95
3 Mrs. Shahzadi Ilyas	2,404,100	7.42
4 Mian Abdullah Ilyas	2,986,500	8.79
5 Mian Haseeb Ilyas	2,213,500	6.83
	15,071,100	46.09



Pattern of Shareholding for Haseeb Waqas Sugar Mills Limited As on:- 30-Sep-2021

Page 1 of 2 (Complete)

Number of Shareholders	Shareholdings From	To	Total Number of Share Held	Percentage of Total Capital
184	1 -	100	8,117	0.03
414	101 -	500	191,441	0.59
265	501 -	1,000	258,030	0.80
382	1001 -	5,000	1,075,039	3.32
124	5001 -	10,000	1,042,695	3.22
49	10001 -	15,000	655,282	2.02
25	15001 -	20,000	467,396	1.44
20	20001 -	25,000	456,300	1.41
10	25001 -	30,000	278,500	0.86
6	30001 -	35,000	198,000	0.61
5	35001 -	40,000	196,000	0.60
4	40001 -	45,000	167,000	0.52
5	45001 -	50,000	250,000	0.77
1	50001 -	55,000	53,500	0.17
5	55001 -	60,000	296,000	0.91
4	60001 -	65,000	256,000	0.79
3	70001 -	75,000	220,500	0.68
3	75001 -	80,000	234,500	0.72
2	80001 -	85,000	166,286	0.51
4	85001 -	90,000	355,500	1.10
7	95001 -	100,000	698,500	2.16
1	100001 -	105,000	104,500	0.32
2	105001 -	110,000	214,500	0.66
1	110001 -	115,000	114,500	0.35
1	120001 -	125,000	125,000	0.39
1	140001 -	145,000	142,000	0.44
1	145001 -	150,000	150,000	0.46
1	155001 -	160,000	160,000	0.49
1	170001 -	175,000	173,500	0.54
1	190001 -	195,000	194,500	0.60
1	245001 -	250,000	250,000	0.77
2	270001 -	275,000	548,000	1.69
1	280001 -	285,000	283,000	0.87
2	295001 -	300,000	600,000	1.85
1	305001 -	310,000	305,714	0.94



Pattern of Shareholding for Haseeb Waqas Sugar Mills Limited As on:- 30-Sep-2021

Page 2 of 2 (Complete)

Number of Shareholders	Shareholdings From	To	Total Number of Share Held	Percentage of Total Capital
1	330001 -	335,000	333,500	1.03
1	345001 -	350,000	349,000	1.08
1	590001 -	595,000	592,500	1.83
1	615001 -	620,000	617,600	1.91
1	715001 -	720,000	717,500	2.21
1	765001 -	770,000	768,250	2.37
1	915001 -	920,000	917,500	2.83
1	1020001 -	1,025,000	1,022,750	3.16
1	1260001 -	1,265,000	1,262,500	3.90
1	2210001 -	2,215,000	2,213,500	6.83
1	2400001 -	2,405,000	2,404,100	7.42
1	2840001 -	2,845,000	2,844,500	8.78
1	2900001 -	2,905,000	2,900,500	8.95
1	4565001 -	4,570,000	4,566,500	14.09
1,553			32,400,000	100.00



Haseeb Waqas Sugar Mills Limited

Page #:1 of 1

Categories of Share Holders

P Date:04-Jan-2022

As on: September 30, 2021

S Type:Complete

Ser #	Code	Category	No. of Shareholder	Shares Held	Percentage of Total Capital
1	2	Financial Institutions	3	17,200	0.0531
2	4	Joint Stock Companies	13	3,649,522	11.2640
3	5	Insurance Companies	3	617,919	1.9072
4	6	Modarabas	4	7,700	0.0238
5	22	General Public (Local)	1,520	28,053,659	86.5854
6	23	General Public (Foreign)	6	15,500	0.0478
7	24	Others	4	38,500	0.1188

TOTAL:	1,553	32,400,000	100.0000
---------------	--------------	-------------------	-----------------



HASEEB WAQAS SUGAR MILLS LIMITED

Haseeb Waqas Sugar Mills Limited

Categories Detail

As on: September 30, 2021.

Sr. #	Folio Number	Name
-------	--------------	------

P Date: 04/01/2022

Page #: 1 of 2

S Type: Complete

Shares Held	Per % Total Capital
-------------	---------------------

Category

Financial Institutions

1	CDC-379	BANK ALFALAH LIMITED - LAHORE STOCK EXCHANGE BRANC	800	0.0025
2	802	THE BANK OF PUNJAB	6,700	0.0207
3	805	TRUST LEASING CORPORATION	9,700	0.0299

Running Total	Financial Institutions	17,200	0.0531
----------------------	-------------------------------	---------------	---------------

Joint Stock Companies

1	CDC-443	MAPLE LEAF CAPITAL LIMITED	1	0.0000
2	CDC-378	S.H. BUKHARI SECURITIES (PVT) LIMITED	400	0.0012
3	CDC-424	SARFRAZ MAHMOOD (PRIVATE) LTD	500	0.0015
4	CDC-234	Y.S. SECURITIES & SERVICES (PVT) LTD.	1,000	0.0031
5	CDC-172	TELE SYS TECH (PRIVATE) LIMITED	3,121	0.0096
6	CDC-430	MILEAGE (PVT) LTD	7,500	0.0231
7	CDC-248	ZAFAR SECURITIES (PVT) LTD.	10,000	0.0309
8	CDC-222	APEX FINANCIAL SERVICES (PVT.) LIMITED	15,000	0.0463
9	CDC-944	MUHAMMAD BASHIR KASMANI (PRIVATE) LIMITED	20,000	0.0617
10	CDC-1146	HIGH LAND SECURITIES (PVT) LIMITED	22,500	0.0694
11	CDC-1129	KOHINOOR POWER COMPANY LIMITED	76,500	0.2361
12	CDC-835	ALI HUSAIN RAJABALI LIMITED	592,500	1.8287
13	CDC-414	ABDULLAH SUGAR MILLS LIMITED	2,900,500	8.9522

Running Total	Joint Stock Companies	3,649,522	11.2640
----------------------	------------------------------	------------------	----------------

Insurance Companies

1	CDC-152	SHAHEEN INSURANCE COMPANY LIMITED	119	0.0004
2	5920	STATE LIFE INSURANCE CORP.	200	0.0006
3	CDC-225	STATE LIFE INSURANCE CORP. OF PAKISTAN	617,600	1.9062

Running Total	Insurance Companies	617,919	1.9072
----------------------	----------------------------	----------------	---------------

Modarabas

1	806	TRUST MODARABA	100	0.0003
2	803	FIRST PUNJAB MODARABA	600	0.0019
3	812	FIRST PUNJAB MODARABA	1,400	0.0043
4	804	TRUST MODARABA	5,600	0.0173

Running Total	Modarabas	7,700	0.0238
----------------------	------------------	--------------	---------------

General Public (Local)

Running Total	General Public (Local)	28,053,659	86.5854
----------------------	-------------------------------	-------------------	----------------



Haseeb Waqas Sugar Mills Limited

Categories Detail

As on:September 30, 2021.

P Date:04/01/2022

Page #:2 of 2

S Type:Complete

Sr. #	Folio Number	Name	Shares Held	Per % Total Capital
-------	--------------	------	-------------	---------------------

Catagory

General Public (Foreign)

Running Total	General Public (Foreign)	15,500	0.0478
----------------------	---------------------------------	---------------	---------------

Others

1	5261	HONG KONG BANK INTERNATIONAL	200	0.0006
2	5246	DEUTSCHE BANK SECURITIES CORP.	600	0.0019
3	5279	MORGAN STANLY TRUST COMPANY	14,900	0.0460
4	5176	JAMES CAPEL & CO.	22,800	0.0704

Running Total	Others	38,500	0.1188
----------------------	---------------	---------------	---------------

Grand Total:	32,400,000	100.0000
---------------------	-------------------	-----------------



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019)

HASEEB WAQAS SUGAR MILLS LIMITED FOR THE YEAR ENDED 30 SEPTEMBER 2021

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

1	The total number of Directors are eight as per the following:	
a.	Male	03
b.	Female	05
2.	The composition of Board is as follows:	
a.	Independent Director	Mr. Raza Mustafa Mian Waqas Riaz
b.	Executive Director	Mian Haseeb Ilyas
c.	Non-Executive Directors	Mrs. Yasmin Riaz Mrs. Shahzadi Ilyas Mrs. Zainab Waqas Mrs. Zakia Ilyas Ms. Aqsa Riaz
3.	The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).	
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 decisions 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 the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.	



8.	The Board of Directors has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.	
9.	The Board did not arrange any Director's program during the year. On overall basis, our directors taken as a whole are compliant as of 30 September 2021 with the requirements of the Director's Training Program contained in the regulations. Due to ongoing COVID pandemic situation of the country, the Board unable arranged Directors Training Program for one of our Director Miss. Aqsa Riaz.	
10.	The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations, except for the minimum experience requirement of the CFO, Regulation 23 (a) requires the CFO to have at least three years of managerial experience in fields of audit or accounting or is managing financial or corporate functions of a company and is a member of Institute of Chartered Accountants of Pakistan or Institute of Cost and Management Accountants of Pakistan. The Board is in process of complying with the requirements of the Regulations.	
11.	CFO and CEO duly endorsed the financial statements before approval of the Board.	
12.	The Board has formed committee comprising of members given below:	
a.	Audit Committee	Mian Waqas Riaz (Chairman) Mrs. Zakia Ilyas (Member) Mrs. Yasmin Riaz (Member)
b.	HR and Remuneration Committee	Mian Waqas Riaz (Chairman) Mrs. Zainab Waqas (Member) Mrs. Zakia Ilyas (Member)
c.	Risk Management Committee	Mr. Raza Mustafa (Chairman) Mrs. Yasmin Riaz (Member)
d.	Nomination Committee	Mrs. Yasmin Riaz (Chairperson) Mrs. Zainab Waqas (Member)
	Regulation 28 (1){c} requires the Board to satisfy itself such that at least one member of the audit committee qualifies as financially literate. The Board will comply with aforementioned regulation upon-re-constitution of the Board after expiry of the current term.	
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 following:	
a.	Audit Committee	04
b.	HR and Remuneration Committee	02
c.	Nomination Committee	01
d.	Risk Management Committee	01



15.	The Board has set up an effective internal audit function that is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the company.
16.	The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International 56 Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firms involved in the audit are not a close relatives (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or any Director of the Company.
17.	The Statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18.	We confirm that all other requirements of the Regulations have been complied with.

On behalf of the Board

Mian Haseeb Ilyas
Chief Executive

Raza Mustafa
Chairman

Place: Lahore

Dated: 03 January 2022



QADEER & COMPANY
CHARTERED ACCOUNTANTS

**INDEPENDENT AUDITOR'S REVIEW REPORT TO
THE MEMBERS OF HASEEB WAQAS SUGAR MILLS LIMITED**

**REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED
COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019**

We were engaged to review the enclosed Statement of Compliance with the Listed Companies (Code of corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Haseeb Waqas Sugar Mills Limited (the Company) for the year ended September 30, 2021 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any noncompliance 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.

No information for the purpose of review was provided to us, accordingly, we do not express our conclusion as to whether the Statement of Compliance appropriately reflects 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, 2021.

We have also expressed disclaimer of opinion in our audit report to the financial statements for the year ended September 30, 2021.

Lahore,
Dated: January 03, 2022


QADEER & COMPANY
CHARTERED ACCOUNTANTS
ENGAGEMENT PARTNER
ABDUL RAHMAN

Head Office: 32-A, Lawrence Road, Lahore. Ph: +92 42 36373451-52-53
E-mail: qadeerco@brain.net.pk
Branch Office: Office # 503, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.
Off: +92-51-2894591-3 E-mail: trko@hotmail.com



QADEER & COMPANY
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the members of HASEEB WAQAS SUGAR MILLS LIMITED

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the annexed financial statements of **HASEEB WAQAS SUGAR MILLS LIMITED** (“the Company”), which comprise the statements of financial position as at September 30, 2021, and the statement of profit or loss and the statement of 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.

We do not express an opinion on the accompanying financial statements of the Company. Because of significance of matters described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

Basis for Disclaimer of Opinion

- a) As stated in Note # 2.4 to the financial statements, the Company could not start operations during the crushing season 2020-21 and is directed to shift the mill from Muzaffargarh to Nankana Sahib. But, the management did not provide us sufficient and comprehensive plan and projections to start operations at either of the locations in the foreseeable future and overcome the existing financial and legal crisis. On the absence of required information, the going concern basis is not determinable.
- b) The Sales tax status of the Company has been blacklisted by the Federal Board of Revenue due to non-payment of outstanding net liability of Rs. 208.023 million as mentioned in Note # 10 and 14.2 of the financial statements.
- c) As stated in Note # 15.3 to the financial statements; the Company has not complied with the requirements of IAS 16 paragraph 31 and 34 with respect to revaluation of property, plant and equipment which require that revaluation should be made with sufficient regularity.

Head Office: 32-A, Lawrence Road, Lahore. Ph: +92 42 36373451-52-53
E-mail: qadeerco@brain.net.pk
Branch Office: Office # 503, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.
Off: +92-51-2894591-3 E-mail: trko@hotmail.com



QADEER & COMPANY
CHARTERED ACCOUNTANTS

- d) We did not receive direct confirmations from banks and financial institutions of long term loans and lease liabilities amounting to Rs. 1,652 million and markup outstanding amounting to Rs. 991.45 million. We remain unable to verify these balances by applying other alternate audit procedures as the information was not provided to us. Consequently, we were unable to determine whether any adjustments to these amounts were necessary;
- e) All the trade and other payables as mentioned in Note # 10 were remain unpaid and overdue due to mill closure and non-availability of funds. We remained unable to confirm these balances by applying other alternate audit procedures as the information was not provided to us. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.
- f) The Company has not carried out Actuarial Valuation from Actuarial expert and we were unable to verify the Employee Retirement Benefit outstanding as at year end and provision for the year was also not recorded by the management. We remain unable to verify these balances by applying other alternate audit procedures. Consequently, we were unable to determine whether any adjustments to these amounts were necessary;
- g) The Company has not complied with the requirements of Section 244 of the Companies Act 2017 with respect to unclaimed dividend amounting to Rs. 1,443,972/- as disclosed in Note # 14.5 to the financial statements;
- h) We did not receive direct confirmations from Company's tax advisors regarding the outstanding tax cases and their status. We remain unable to verify the status, completeness and accuracy of the reported contingencies in the financial statements. Consequently, we were unable to determine whether any adjustments to sales tax payable, tax provisions, deferred taxation and tax refundable due from government were necessary or needs to be disclosed. We remain unable to verify these disclosures and balances.
- i) Company has not carried out impairment testing of property, plant and equipment and stores and spares as required under the International Accounting Standard 36. We consider it necessary to be carried out at the end of current year because the Company could not start production during the crushing season 2021-2022.
- j) We were unable to physically verify the existence and condition of property, plant and equipment due to closure of factory on the decision of Supreme Court.
- k) We were unable to physically verify the existence and condition of store and spares as at the year end. We also remained unable to verify such balances by alternate audit procedures as information was not available to us. Further, compulsory cut off procedures could not be performed as at the year ended September 30, 2021.
- l) All the advances, deposits, prepayments and other receivables were static and no confirmation was received. We were unable to verify these balances by applying other alternative audit procedures as information was not available to us.

Head Office: 32-A, Lawrence Road, Lahore. Ph: +92 42 36373451-52-53

E-mail: qadeerco@brain.net.pk

Branch Office: Office # 503, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.

Off: +92-51-2894591-3 E-mail: trko@hotmail.com



QADEER & COMPANY CHARTERED ACCOUNTANTS

- m) We did not receive direct confirmations from Company's legal advisors regarding the outstanding cases and their status. Consequently, we were unable to determine the accuracy and completeness of disclosures under contingencies and commitments. We also remain unable to verify these disclosures and balances as the information was not available to us.
- n) We were unable to obtain direct confirmations from banks amounting to Rs. 1.67 M. We remain unable to verify these balances by applying other alternate audit procedures as the information was not available to us. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.
- o) Pakistan Stock Exchange Limited has placed the Company in Defaulters Segment on the basis of last year audit report. Also, suspension in the trading of shares of company has been ordered by the Exchange.
- p) The Company could not provide and make available to us all of its books of account and other information which were necessary for the purpose of our audit. As a result, we were unable to determine whether any adjustments or disclosures might have been found necessary in respect of recorded or unrecorded elements and disclosures making up the statement of financial position, statement of profit or loss, statement of other comprehensive income, statement of changes in equity and statement of cash flows and notes to the financial statements.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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



QADEER & COMPANY
CHARTERED ACCOUNTANTS

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Company's financial statements in accordance with International Standards on Auditing as applicable in Pakistan and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Report on Other Legal and Regulatory Requirements

Because of significance of the matters described in Basis of Disclaimer of Opinion section of our report, we express **no** opinion whether:

- a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) The statement of financial position, the statement of profit or loss and the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) No Zakat 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 **Abdul Rahman**.

Lahore,

Dated: January 03, 2022


QADEER AND COMPANY,
CHARTERED ACCOUNTANT

Head Office: 32-A, Lawrence Road, Lahore. Ph: +92 42 36373451-52-53

E-mail: qadeerco@brain.net.pk

Branch Office: Office # 503, 5th Floor, ISE Towers, Jinnah Avenue, Islamabad.

Off: +92-51-2894591-3 E-mail: trko@hotmail.com



HASEEB WAQAS SUGAR MILLS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2021

EQUITY AND LIABILITIES	Note	September 30,	September 30,
		2021	2020
Share Capital and Reserves		Rupees	
Authorized capital 35,000,000 (2020: 35,000,000) ordinary shares of Rs. 10 each		350,000,000	350,000,000
Issued, subscribed and paid up capital	4	324,000,000	324,000,000
Loan from directors and sponsors	5	841,942,639	841,731,639
Capital Reserves			
Surplus on revaluation of property, plant and equipment	6	1,323,260,805	1,387,378,418
Revenue reserves			
Accumulated (loss) / profit		(4,082,674,095)	(3,837,974,792)
		(1,593,470,651)	(1,284,864,735)
Non Current Liabilities			
Long term financing	7	-	-
Deferred liabilities	8	17,782,639	17,804,720
Deferred taxation	9	546,697,573	577,220,964
		564,480,212	595,025,684
Current Liabilities			
Trade and other payables	10	791,525,787	791,606,566
Markup on loans and other payables	11	1,011,317,540	843,616,824
Short term borrowings	12	656,462,763	656,462,763
Unclaimed dividend		1,443,972	1,443,972
Current portion of non current liabilities	13	1,652,187,642	1,652,187,642
		4,112,937,704	3,945,317,767
Contingencies and Commitments	14	-	-
		3,083,947,265	3,255,478,715
ASSETS			
Non Current Assets			
Property, plant and equipment	15	2,976,625,434	3,135,153,337
Long term deposits	16	490,000	490,000
		2,977,115,434	3,135,643,337
Current Assets			
Stores, spares and loose tools	17	55,892,796	55,892,796
Stock in trade	18	-	-
Advances, deposits, prepayments and other receivables	19	49,209,513	62,230,462
Cash and bank balances	20	1,729,522	1,712,121
		106,831,831	119,835,379
		3,083,947,265	3,255,478,716

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Note	2021 Rupees	2020
Sales - Net	21	-	-
Cost of goods sold	22	(160,043,178)	(168,405,487)
Gross (loss)		(160,043,178)	(168,405,487)
Operating expenses:			
- Administrative and general expenses	23	(11,276,729)	(11,618,765)
- Other operating charges	24	(300,000)	(625,000)
- Other income	25	-	-
Loss from operations		(171,619,907)	(180,649,252)
Finance cost	26	(167,720,397)	(230,366,608)
Loss before taxation		(339,340,304)	(411,015,860)
Taxation	27	30,523,388	48,892,363
Loss after taxation		(308,816,916)	(362,123,497)
Earning per share - basic	28	(9.53)	(11.18)

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED SEPTEMBER 30, 2021

Note	2021	2020
	Rupees	
(Loss) after taxation	(308,816,916)	(362,123,497)
Other comprehensive income		
Remeasurements of defined benefit obligation	-	-
Impact of deferred tax	-	-
	-	-
Total comprehensive loss for the year	(308,816,916)	(362,123,497)

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Rupees	
	2021	2020
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before taxation	(339,340,304)	(411,015,860)
Adjustments for:		
Depreciation	158,527,901	168,615,838
Finance cost	167,720,397	230,366,608
	326,248,298	398,982,446
Operating profit before working capital changes	(13,092,006)	(12,033,414)
(Increase) / decrease in current assets:		
Stores, spares and loose tools	-	-
Stock in trade	-	-
Advances, deposits, prepayments and other receivables	13,188,181	23,170,530
Increase / (decrease) in current liabilities:		
Trade and other payables	(80,781)	(9,786,381)
	13,107,400	13,384,149
Cash generated from operations	15,394	1,350,735
Income tax paid / deducted	(167,232)	(202,153)
Gratuity paid	(22,081)	(200,000)
Finance cost paid	(19,681)	(2,415)
Net cash generated from / (used in) operating activities	(193,600)	946,167
CASH FLOW FROM INVESTING ACTIVITIES		
Long term deposits	-	-
Net cash generated from / (used in) investing activities	-	-
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / (Repayment) from directors'/ sponsor loan - Net	211,000	100,000
Proceeds / (Repayment) of related parties	-	(1,078,784)
Net cash generated from / (used in) financing activities	211,000	(978,784)
Net increase / (decrease) in cash and cash equivalents	17,400	(32,617)
Cash and cash equivalents at the beginning of the year	1,712,121	1,744,739
Cash and cash equivalents at the end of the year	20 1,729,521	1,712,121

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED

HASEEB WAQAS SUGAR MILLS LIMITED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Issued, subscribed and paid up capital	Loan from directors	Surplus on Revaluation of Property, Plant & equipment	Accumulated (loss) / profit	Total
	R u p e e s				
Balance as at October 01, 2019	324,000,000	841,631,639	1,455,221,265	(3,543,694,142)	(922,841,238)
Net (loss) for the year ended September 30, 2020	-	-	-	(362,123,497)	(362,123,497)
Other comprehensive income / (loss) for the year	-	-	-	-	-
	-	-	-	(362,123,497)	(362,123,497)
Transaction with owners:					
Increase in directors' loan during the year	-	100,000	-	-	100,000
Surplus on revaluation of fixed assets transferred to retained earnings in respect of incremental depreciation - net of tax	-	-	(67,842,847)	67,842,847	-
Balance as at October 01, 2020	324,000,000	841,731,639	1,387,378,418	(3,837,974,792)	(1,284,864,735)
Net (loss) for the year ended September 30, 2021	-	-	-	(308,816,916)	(308,816,916)
Other comprehensive income / (loss) for the year	-	-	-	-	-
Total comprehensive income/(loss) for the year	-	-	-	(308,816,916)	(308,816,916)
Transaction with owners:					
Increase in sponsors and directors' loan during the year	-	211,000	-	-	211,000
Surplus on revaluation of fixed assets transferred to retained earnings in respect of incremental depreciation - net of tax	-	-	(64,117,613)	64,117,613	-
Balance as at September 30, 2021	324,000,000	841,942,639	1,323,260,805	(4,082,674,095)	(1,593,470,651)

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



HASEEB WAQAS SUGAR MILLS LIMITED. NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2021

1 Corporate and General Operation

1.1 Legal Status and operations

Haseeb Waqas Sugar Mills Limited ("the Company") was incorporated in Pakistan on 13 January 1992 as a Public Limited Company under the repealed Companies Ordinance, 1984 (now the Companies Act 2017). The Company's registered office is situated at 6-F Model Town, Lahore. The mill is situated at Tehsil Jattoi Distt. Muzafargarh. The Company is listed on Pakistan Stock Exchange. The principal activity of the Company is manufacture and sale of refined sugar and its by-products.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of International Financial Reporting Standards (IFRS Standards) issued by the International Accounting 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 Standards, the provisions of and directives issued under the Companies Act 2017 have been followed.

2.2 Accounting convention

These financial statements have been prepared under the historical cost convention except for certain financial instruments at fair value and certain items of property, plant and equipment that are stated at revalued amounts. In these financial statements, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

2.3 New standards, amendments to approved accounting and reporting standards and new interpretations

There were certain amendments to accounting and reporting standards which became effective for the Company for the current year. However, these are considered not to be relevant or to have any significant impact on the Company's financial reporting except some additional disclosures and, therefore, have not been disclosed in these financial statements.



2.3.1 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company as on reporting date.

The following new/revised standards, amendments and improvements with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards or interpretations:

IAS-1	Presentation of Financial Statements; Classification of liabilities as current or non-current (Amendments)	1-Jan-23
IAS 7 & IAS 9	Interest Rate Benchmark Reform - Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	1-Jan-22
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors; Definition of Accounting estimates (Amendments)	1-Jan-23
IAS-12	Income Taxes (The amendments to narrow the scope of initial recognition exemption)	1-Jan-23
IAS-37	Provision, contingent liabilities and contingent assets Amendments regarding the cost to include when assessing whether a contract is onerous	1-Jan-22
IAS-16	Property, Plant and Equipment Amendment prohibiting the company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use.	1-Jan-22
IAS-41	Amendment resulting from Annual Improvements to IFRS Standards 2018-2020 (the requirement in paragraph of IAS 41 for the entities to exclude taxation cash flows when measuring the fair value of biological assets using a present value technique)	1-Jan-22
IFRS-1	First time adoption of International Financial Reporting Standards amendments resulting from Annual improvements of IFRS standards 2018-2020 (Subsidiary as a first-time adopter)	1-Jan-22
IFRS-3	Business combination ; Amendments updating a reference to conceptual framework	1-Jan-22
IFRS-4	Insurance Contracts ; Amendments regarding the expiry date of the deferral approach	1-Jan-23
IFRS-9	Financial instruments; Fees in the '10 percent' test for derecognition of financial liabilities (Amendments)	
IFRS-16	Leases (Extension in respect of the practical expedient for COVID-19 related to rent concession by one year).	1-Jan-22
IFRS-16	Amendment resulting annual improvements to IFRS standards 2018-2020 (to resolve any potential confusion that might arise in the lease incentives)	1-Jan-22
IFRS-10	Consolidated Financial Statements and IAS 28 Investment In associate and joint venture ; amendment regarding sale or contribution of assets between an investor and its associate or joint venture.	Not yet finalized
IAS-41	Agriculture; Taxation in fair value measurements (Amendments)	1-Jan-22



2.3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company as at September 30, 2021.

There are certain other new standards and amendments to the approved accounting standards that will be mandatory for the Company's annual accounting periods beginning on or after October 1, 2020. However, these standards and amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these financial statements.

2.4 Going concern assumption

The financial statements of the Company indicate that the Company incurred gross loss amounting to Rs: 160,043,178 (2020: 168,405,487) and net loss from operations amounting to Rs. 171,619,907 (2020: 180,649,252) and accumulated losses Rs. 4,082,674,095 (2020: 3,837,974,792). Moreover, the current liabilities exceed current assets by Rs. 4,006,105,873 (2020: 3,825,482,388).

Further as stated in note # 14.4 to the financial statements, the Supreme Court dismissed the appeal of the Company regarding location of factory.

Operational measures

In view of above issues Company has already taken following mitigating steps:

Restructuring of loan from Silk Bank Limited amounting to Rs. 390 million is in process but not finalized yet.

Shifting of mill to Alipur Jatoi, Muzaffargarh has been completed where sugar cane availability and sugar recovery are better.

BMR has been done and we will see impact of this BMR in the financials of coming crushing season.

The management foresees positive cash flow from future operations in expectation of better availability of sugar cane and sugar prices in coming season, since sugar dynamics are good and rising.

The projected financial statements prepared by the management to support its going concern assessment is based on following assumptions.

	Projected		
	2022	2023	2024
Sugar Cane Crushing M.T	780,000	800,000	800,000
Sugar cane rate	220	230	240
Sugar price per Kg	80	85	90

However, it is believed that considering the mitigating factors set out in the preceding paragraphs, the going concern assumption is appropriate and has, as such, prepared these financial statements on a going concern basis.

Our review petition (regarding shifting of mill to Alipur Jatoi) dismissed by Supreme Court and management considering alternate options available including but not limited to application to Ministry of Industries and Planning under Section 3 of the Punjab Industries (Control on Established and Enlargement) Ordinance, 1963. Therefore, Ministry has rejected the appeal and the company approached the high court against the decision of Ministry.



2.5 Judgment, estimates and assumptions

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

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

Judgment made by management in the application of accounting and reporting standards that have significant effect on the financial statements and estimates with a risk of material adjustment in subsequent year are as follows;

2.5.1 Depreciation method, rates and useful lives of property, plant and equipment

The management of the Company reassesses useful lives, depreciation method and rates for each item of property, plant and equipment annually by considering expected pattern of economic benefits that the Company expects to derive from that item.

2.5.2 Recoverable amount of assets/ cash generating units

The management of the Company reviews carrying amounts of its assets and cash generating units for possible impairment and makes formal estimates of recoverable amount if there is any such indication.

2.5.3 Fair value of financial instruments having no active market

Fair value of financial instruments having no active market is determined using discount cash flow analysis after incorporating all factors that market participants would consider in setting a price and using inputs that reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument.

2.5.4 Taxation

The Company takes into account income tax law and decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by tax department at the assessment stage and where the Company considers that its view of items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

2.5.5 Provisions

Provisions are based on best estimate of the expenditure required to settle the present obligation at the reporting date, that is, the amount that the Company would rationally pay to settle the obligation at the reporting date or to transfer it to a third party.

2.5.6 Revaluation of property, plant and equipment

Revaluation of property, plant and equipment is carried out by independent professional valuer. Revalued amounts of non-depreciable items are determined by reference to local market values and that of depreciable items are determined by reference to present depreciated replacement values.



2.6 Functional currency

These financial statements are prepared in Pak Rupees which is the Company's functional and presentation currency.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in the financial statements.

3.1 Ordinary share capital

Ordinary share capital is recognized as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as deduction from equity.

3.2 Surplus / deficit arising on revaluation of property, plant and equipment

Surplus arising on revaluation of property, plant and equipment is recognized, in other comprehensive income and accumulated in reserves in shareholders' equity and is shown in equity. Revaluation is carried out with sufficient regularity to ensure that the carrying amounts of the assets does not differ materially from the fair value. Accumulated depreciation at the date of revaluation is eliminated against the cost of the asset and net amount is restated to the revalued amount of the asset.

The surplus on revaluation of property, plant and equipment to the extent of incremental depreciation charged on the related property, plant and equipment during the year is part of statement of changes in equity.

3.3 Employee benefits

Short-term employee benefits

The Company recognizes the undiscounted amount of short term employee benefits to be paid in exchange for services rendered by employees as a liability after deducting amount already paid and as an expense in profit or loss unless it is included in the cost of inventories or property, plant and equipment as permitted or required by the approved accounting standards. If the amount paid exceeds the discounted amount of benefits, the excess is recognized as an asset to the extent that the prepayment would lead to a reduction in future payments or cash refund.

The Company provides for compensated absences of its employees on unavailed balance of leaves in the period in which the leaves are earned.

Defined benefit plan

The Company operates an unfunded gratuity scheme covering its permanent employees. Employees are eligible for benefits under this scheme after the completion of a prescribed qualifying period of service. The latest actuarial valuation was carried out as at September 30, 2018. No charge and valuation is made during the year because of ceased operations. The following significant assumptions were used in the latest actuarial valuation:

	2021	2020
Discount rate	0.00%	0.00%
Expected rate of salary increase in future years	0.00%	0.00%
Average expected remaining working life time of employees	-	-
Actuarial valuation method	Projected unit credit method	



3.4 Borrowings

These are recognized initially at fair value less attributable transaction cost. Subsequent to initial recognition, these are stated at amortized cost with any difference between cost and redemption value being recognized in the profit and loss over the period of the borrowings on an effective interest basis.

3.5 Provisions

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

3.6 Taxation

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current

Current tax is the amount of tax payable on taxable income for the year, using tax rates enacted or substantively enacted by the reporting date, and any adjustment to the tax payable in respect of previous years. Provision for current tax is based on the taxable income at current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an asset.

Deferred

Deferred tax is accounted for using the balance sheet liability method providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. In this regard, the effects on deferred taxation of the portion of income that is subject to final tax regime is also considered in accordance with the requirement of "Technical Release - 27" of the Institute of Chartered Accountants of Pakistan. Deferred tax is measured at rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date. A deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for deductible temporary differences to the extent that future taxable profits will be available against which temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is not recognized for timing differences that are not expected to reverse and for the temporary differences arising from the initial recognition of goodwill and initial recognition of assets and liabilities in a transaction that is not a business combination and that at the time of transaction affects neither the accounting nor the taxable profit.



3.7 Trade and other payables

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

3.8 Trade and other receivables

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost less impairment loss, if any.

3.9 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation except freehold land that is stated at revalued amount. Buildings, plant and machinery and grid station and generators are stated at revalued amounts less accumulated depreciation. Cost of property, plant and equipment consists of historical cost, revalued amount, borrowing costs pertaining to the erection / construction period and other directly attributable costs incurred to bring the assets to their working condition.

The management reviews the market value of revalued assets at each balance sheet date to ascertain whether the fair value of revalued assets have differed materially from the carrying value of such assets, thus necessitating further revaluation.

Depreciation on property, plant and equipment has been provided for using the reducing balance method at the rates specified in respective note. Depreciation on additions is charged from the month in which the asset was available for use up to the month in which the asset was disposed off.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized. Gain or loss on disposal of property, plant and equipment, if any, is shown in the profit and loss account.

3.10 Impairment

Carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and impairment loss is recognized in the profit and loss account.

3.11 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand and cash with banks in current and saving accounts.

3.12 Stores, spares and loose tools

These are generally held for internal use and are valued at lower of cost and net realizable value. Cost is determined on the basis of moving average except for items in transit, which are valued at invoice price plus related expenses incurred up to the reporting date. For items identified as slow moving, a provision is made for excess of carrying amount over estimated net realizable value which signifies the estimated selling price in the ordinary course of business less estimated costs of completion and estimated cost necessary to make the sale.



3.13 Stock in trade

These are valued at lower of cost and net realizable value. Cost is determined using the following

Work in process Average manufacturing cost

Finished goods Average manufacturing cost

By-products Net realizable value, where costs are not ascertainable.

Average manufacturing cost in relation to work in process and finished goods consists of direct material, labor and a proportion of appropriate manufacturing overheads.

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

3.14 Financial instruments

Financial assets

The Company classifies its financial assets in the following categories: at fair value through statement of profit or loss, fair value through other comprehensive income and amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. All the financial assets of the Company as at statement of financial position date are carried at amortized cost.

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as at fair value through statement of profit or loss:

(i) it is held with in a business model whose objective is to hold assets to collect contractual cash flows; and

(ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company recognizes loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost and contract assets. The Company measures loss allowance at an amount equal to lifetime ECLs.

Lifetime ECLs are those that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

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

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.



Financial liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit or loss. Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the profit or loss.

Off-setting of financial assets and financial liabilities

A financial asset and financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.15 Related party transactions

All transactions with related parties are carried out by the company at arms' length price with the exception of loan taken from related parties which is interest / mark up free. Prices for these transactions are determined on the basis of comparable uncontrolled price method, which sets the price by reference to comparable goods and services sold in an economically comparable market to a buyer unrelated to the seller.

Components purchased by the Company from related party are priced at cost plus margin.

3.16 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, net of returns allowances, trade discounts and rebates, and represents amounts received or receivable for goods and services provided and other operating income earned in the normal course of business. Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company, and the amount of revenue and the associated costs incurred or to be incurred can be measured reliably.

Revenue from different sources is recognized as follows:

Revenue from sale of goods is recognized when risk and rewards incidental to the ownership of goods are transferred.

Interest on saving accounts is recognized as and when accrued on time proportion basis.

3.17 Borrowing costs

Borrowing costs are charged to expense as and when incurred except to the extent of costs directly attributable to the acquisition, construction or production of qualifying assets that are capitalized as part of the cost of asset.

3.18 Dividends

Dividend is recognized as a liability in the period in which it is declared.



3.19 Accounting for finance lease

IFRS 16 supersedes IAS 17 'Leases', IFRIC 4 'Determining whether an arrangement contains a Lease', SIC 15 'Operating leases - incentives' and SIC 27 'Evaluating the substance of transactions involving the legal form of a lease'. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for most leases under a single on-balance sheet model.

The Company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of July 01, 2019. Under this method, the standard is applied retrospectively with cumulative effect of initially applying standard recognized at the date of initial application and accordingly the Company is not required to restate prior year results. The Company also elected to use the recognition exception for lease contracts that, at the commencement date, have a lease term of twelve months or less and do not contain a purchase option (short term leases).

Adoption of IFRS 16 does not have any material impact on financial statements except reclassification of 'Leased assets' as 'Right-of-use assets' and 'Liabilities against assets subject to finance lease' as The Company has lease contracts for vehicles and plant and machinery. Before the adoption of IFRS 16, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Company; otherwise it was classified as an operating lease. Finance leases were capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between interest (recognized as finance costs) and reduction of the lease liability. In an operating lease, the leased property was not capitalized and the lease payments were recognized as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognized under Prepayments and Trade and other payables, respectively.

Upon adoption of IFRS 16, the Company applied a single recognition and measurement approach for all leases, except for short-term leases. The standard provides specific transition requirements and practical expedients, which has been applied by the Company.

The Company did not change the initial carrying amounts of recognized assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognized under IAS 17).

As a result of adoption of IFRS 16, the Company has adopted following new accounting policy:

A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The Company mainly leases plant and machinery for its operations. The Company recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- The initial direct costs; and
- Restoration cost (if any).



Subsequently, right-of-use assets are recognized at cost less any accumulated depreciation and impairment losses if any, and adjusted for certain re-measurements of the lease liability. The right-of-use asset is depreciated using the reducing balance method over the asset's useful life. The estimated useful lives of assets are determined on the same basis as that for owned assets.

3.20 Earning per share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by adjusting basic EPS by the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.



	2021	2020
Note	Rupees	
4 ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
Ordinary shares of Rs. 10 each:		
27,000,000 (2020: 27,000,000) shares issued for cash.	270,000,000	270,000,000
5,400,	<u>54,000,000</u>	<u>54,000,000</u>
	<u>324,000,000</u>	<u>324,000,000</u>

All ordinary shareholders have same rights regarding voting, board selection, right of first refusal and block voting.

5 LOAN FROM DIRECTORS AND SPONSORS		
Loan from directors and sponsors	841,942,639	841,731,639
	<u>841,942,639</u>	<u>841,731,639</u>

These loan has been obtained from Sponsors and Members of the Company, and is interest free. There is no fixed tenor or schedule for repayment of this loan. According to the loan agreement, the lenders shall not demand repayment and the same is entirely at the Company's option. Further, directors' loan is subordinated to National Bank of Pakistan, The Bank of Punjab, Sindh Bank Limited and Silk Bank Ltd.

These loans are accounted for under Technical Release - 32 "Accounting Directors' Loan" issued by the Institute of Chartered Accountants of Pakistan effective for the financial statements for the period beginning on or after January 01, 2016 with earlier application permitted.

6 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		
As at beginning of the year	1,387,378,418	1,455,221,265
Revaluation surplus transferred to unappropriated profit on account of Incremental depreciation (net of tax)	<u>(64,117,613)</u>	<u>(67,842,847)</u>
	<u>1,323,260,805</u>	<u>1,387,378,418</u>

6.1 The revaluation surplus on property, plant and equipment is a capital reserve, and is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

7 LONG TERM FINANCING		
Loan from Banking Companies - secured	7.1	<u>-</u>

7.1 Loan from banking companies and other financial institutions - secured



National Bank of Pakistan

Demand Finance I	7.1.1	220,000,000	220,000,000
Demand Finance II	7.1.2	160,000,000	160,000,000

The Bank of Punjab

Demand Finance	7.1.3	285,000,000	285,000,000
----------------	-------	-------------	-------------

Sindh Bank Limited

Demand Finance	7.1.4	500,000,000	500,000,000
----------------	-------	-------------	-------------

PAIR

Demand Finance	7.1.5	70,000,000	70,000,000
----------------	-------	------------	------------

Silk Bank Ltd

	7.1.6	390,000,000	390,000,000
--	-------	-------------	-------------

		1,625,000,000	1,625,000,000
		2021	2020
Note	Rupees		

Less: current portion shown under current liabilities

NBP - Demand Finance - I	(220,000,000)	(220,000,000)
NBP - Demand Finance - II	(160,000,000)	(160,000,000)
BOP - Demand Finance	(285,000,000)	(285,000,000)
Sindh Bank - Demand Finance	(500,000,000)	(500,000,000)
Demand Finance - PAIR	(70,000,000)	(70,000,000)
Demand Finance - Silk Bank Ltd	(390,000,000)	(390,000,000)
	(1,625,000,000)	(1,625,000,000)

Non current portion

-	-
---	---

- 7.1.1** The finance is secured by 1st PP charge of Rs. 293.334 million on fixed assets of the Company and personal guarantees of sponsoring directors of the Company. It carries markup @ 3 months KIBOR + 2.5% per annum. This loan is payable in ten bi-annual installments ending on 21 March 2020, within a period of 5 years excluding 1 year grace period.
- 7.1.2** The finance is secured by 1st PP charge of Rs. 213.334 million on fixed assets of the Company and personal guarantees of sponsoring directors of the Company. It carries markup @ 3 months KIBOR + 2.5% per annum. This loan is payable in twelve equal quarterly installments ending on 30 September 2018, within a period of 3 years excluding 1 year grace period.
- 7.1.3** This finance has been obtained from The Bank of Punjab through restructuring of existing cash finance facility. The finance is secured by ranking charge over all present and future fixed assets of the Company and personal guarantees of directors of the Company. It carries markup 3 months KIBOR +1.25% per annum. This loan is payable in twenty eight quarterly installments ending on 30 September 2021.
- 7.1.4** This finance has been obtained from Sindh Bank Limited under demand finance arrangement. The finance is secured by ranking charge over all present and future fixed assets of the Company and personal guarantees of directors of the Company. It carries markup @ 3 months KIBOR + 5% per annum. This loan is payable in twelve quarterly installments ending on 09 June 2020.



- 7.1.5** This finance has been obtained from PAIR Investment Company Limited. The finance is secured by parri passu charges over the present and future fixed assets of the Company, with a margin of 33% above the financing amount. Parri passu charge by way of creation of mortgage over the land and building of the Company and personal guarantees of directors of the Company. It carries markup 3 months KIBOR +350 bps per annum. This loan is rescheduled and payable in eighteen monthly installments.
- 7.1.6** This finance has been obtained from Silk Bank Limited under demand finance arrangement. The finance is secured by Pari passu charge over all present and future fixed assets of the Company and corporate guarantee of Abdullah Sugar Mills Limited and personal guarantees of directors of the Company. It carries markup @ 1 Year KIBOR + 2% per annum. This loan is payable in twenty Bi-annually installments ending on 21 February 2025.

	2021	2020
Note	Rupees	
8 DEFERRED LIABILITIES		
Employee retirement benefits	8.01 17,782,639	17,804,720

8.01 EMPLOYEES RETIREMENT BENEFITS

The amounts recognized in the the Statement of Financial Position are as follows :

Present value of defined benefit obligation	17,782,639	17,804,720
<i>the Statement of Financial Position liability</i>		
Opening balance	17,804,720	18,004,720
Amount recognized during the year	-	-
Remeasurements	-	-
	17,804,720	18,004,720
Payable to outgoing employees	-	-
Benefits paid during the year	(22,081)	(200,000)
Closing balance	17,782,639	17,804,720
<i>Charge for the defined benefit plan</i>		
Service cost	-	-
Interest cost	-	-
	-	-

- 8.02** The scheme provides for terminal benefits for all its permanent employees who attain the minimum qualifying period at varying percentages of last drawn basic salary upto the year ended Septembet 30, 2019. The percentage depends on the number of service years with the Company. No provision is made for the current and prior years, since the Company was not operational and it is not financially feasible for the Company to carry out acturial valuation.



9 DEFERRED TAXATION

Deferred tax liability on taxable temporary differences

Accelerated tax depreciation	80,063,078	76,930,558
son	605,343,724	638,840,754
	685,406,802	715,771,312

Deferred tax asset on deductible temporary differences

Employees retirement benefits	(11,821,882)	(11,663,004)
Finance lease	(7,884,419)	(7,884,416)
Unused tax losses	(119,002,928)	(119,002,928)
	(138,709,229)	(138,550,348)
	546,697,573	577,220,964

Deferred tax assets of Rs. 703 million (2020: 1,063 million) on deductible temporary differences have not been recognized due to unpredictability of adjustable in future periods.

		2021	2020
	Note	Rupees	
10 TRADE AND OTHER PAYABLES			
Trade creditors		176,277,171	176,277,171
Advances from Customers -Unsecured		262,253,957	262,253,957
Accrued liabilities		70,940,417	70,627,768
Sales tax payable		208,023,289	208,377,084
Other payables	10.1	74,030,953	74,070,586
		791,525,787	791,606,566
10.1	Other payables include an amount of Rs. 30,564,611 of penalty imposed by Trading Corporation of Pakistan (TCP). The Company is defending a suit filed by TCP for recovery before Honorable Sindh High Courts, and the case still pending. TCP has requested NAB to take up the case, so case is in NAB now and NAB summoned the authorized representative of the Company and proceedings are in progress.		
11 MARKUP ON LOANS AND OTHER PAYABLES			
Long term financing	11.01	990,499,914.08	822,799,198
Finance lease		954,816	954,816
Others	11.02	19,862,810	19,862,810
		1,011,317,540	843,616,824

11.01 This includes markup accrued on short term borrowings which was rescheduled as long term.

11.02 This represents markup accrued on return of funds to TCP as disclosed in note 10.1



12 SHORT TERM BORROWINGS

Loan from related parties

Abdullah Sugar Mills Limited	654,258,699	654,258,699
Haseeb Waqas Trading (Private) Limited	2,204,064	2,204,064
	<u>656,462,763</u>	<u>656,462,763</u>

These are unsecured, interest free and payable on demand of the related parties and for the purpose of working capital of the Company; and be adjusted against sale of goods etc.

13 CURRENT PORTION OF NON CURRENT LIABILITIES

Long term financing	7.1	1,625,000,000	1,625,000,000
Finance lease		27,187,642	27,187,642
		<u>1,652,187,642</u>	<u>1,652,187,642</u>

14 CONTINGENCIES AND COMMITMENTS

- 14.1** The collector of Sales Tax And Central Excise (Adjudication) Lahore has issued a show cause notice to the Company for the further tax amounting to Rs. 47 million upto the tax period September 2002 on the grounds that it charged sales tax at the rate of 15 % on its sales to persons liable to be registered.
- 14.2** The Federal Board of Revenue has blacklisted the Sales Tax status of the Company on 8th March 2018 due to non compliance of the Sales Tax Act, 1990 and the rules made thereunder including not discharging of sales tax liability as outstanding in note # 10. However, the Company will further proceed to regularize the sales tax status after starting of crushing with permission of Supreme Court. However, honorable supreme court has not permitted yet.
- 14.3** Company has made defaults in repayment of installments of long term loans from financial institutions and bank. As a result, the Company's name has been included in CIB report of State Bank of Pakistan. The detail of the cases are as:

Sr. #	Name of the Court	Date Instituted	Principal parties	Description of factual basis of the proceedings	Relief sought
1	Lahore High Court	03-May-17	Sindh Bank Limited	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan
2	Lahore High Court	29-Jan-16	The Bank of Punjab	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan
3	Lahore High Court	22-Sep-16	National Bank Of Pakistan	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan
4	Lahore High Court	31-Mar-17	First National Bank Modarba	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan
5	Banking Court	20-Apr-18	PAIR Investment Company Limited	Default in repayment of principal amount of long term loan along with markup	rescheduling of loan



- 14.4 The Division Bench of Honorable Lahore High Court Lahore in its judgment dated September 11, 2017 ordered the relocation of Haseeb Waqas Sugar Mills Limited from Muzaffar Garh to Nankana. Furthermore, Lahore High Court directed the mills to restore and reconstitute the position by dismantling & removing the said mills from the present location. The Supreme Court of Pakistan vide short order even dated September 13, 2018 dismissed the Company's appeal and prohibited the Company from conducting any business in relation to or functioning as a sugar mill after the period of two months i.e. 12 November 2018. Further, the appellants are directed to remove within the said period from Muzaffar Garh (current factory location) to Nankana (previous factory location).

However, the Company has filed review petition dated 6th November 2018 to review the above order and accept the appeal filed by the petitioners; but the Supreme Court upheld the previous order to remove the plant from Muzaffar Garh to Nankana Sahab.

Further the company has moved an application to Ministry of Industries under section 3 of the Punjab Industries (Control on Establishment and Enlargement) Ordinance 1963 but the application has been turned down by Ministry of Industries.

Principal parties for respondents are Govt. of the Punjab, JDW Sugar Mills Limited, Ashraf Sugar Mills Limited, Indus Sugar Mills Limited and RYK Mills Limited etc.

- 14.5 The Company has not complied with the section 244 of Companies Act, 2017 with respect to unclaimed dividend but it is not expected to have any legal consequences.
- 14.6 Pakistan Stock Exchange Limited has placed the Company in Defaulters Segment due to disclaimer of opinion on the annual report of the Company for the year ended September 30, 2019. Also, suspension in the trading of shares of company has been ordered by the Exchange.

Commitments

No major commitments were outstanding as at September 30, 2021.

	2021	2020
Note	Rupees	



HASEEB WAQAS SUGAR MILLS LIMITED

15 PROPERTY, PLANT AND EQUIPMENT - Tangible

Particulars	Cost / Revalued Amount				Depreciation					Book Value as at September 30, 2021
	As at October 01, 2020	Additions/ (Deletions)	Revaluations	As at September 30, 2021	Rate %	As at October 01, 2020	Adjustment	For the Year	As at September 30, 2021	
	Owned									
Land - freehold	261,313,059	-	-	261,313,059	-	-	-	-	-	261,313,059
Buildings on freehold land										
- Factory	375,575,435	-	-	375,575,435	10%	162,441,526	-	21,313,391	183,754,917	191,820,518
- Non-factory	115,367,554	-	-	115,367,554	5%	28,043,661	-	4,366,195	32,409,856	82,957,698
Plant and machinery	3,360,693,365	-	-	3,360,693,365	5%	870,058,311	-	124,531,753	994,590,064	2,366,103,301
Electric equipment	624,971	-	-	624,971	10%	221,472	-	40,350	261,822	363,149
Furniture and fixtures	57,469,483	-	-	57,469,483	10%	45,693,938	-	1,177,555	46,871,493	10,597,990
Vehicles	24,985,116	-	-	24,985,116	20%	24,566,904	-	83,642	24,650,546	334,570
Total	4,196,028,983	-	-	4,196,028,983		1,131,025,812	-	151,512,885	1,282,538,698	2,913,490,285
Right of use assets										
Plant and machinery	139,500,000	-	-	139,500,000	10%	69,349,834	-	7,015,017	76,364,851	63,135,149
Total	139,500,000	-	-	139,500,000		69,349,834	-	7,015,017	76,364,851	63,135,149
Grand total 2021	4,335,528,983	-	-	4,335,528,983		1,200,375,646	-	158,527,901	1,358,903,549	2,976,625,434

Particulars	Cost / Revalued Amount				Depreciation					Book Value as at September 30, 2020
	As at October 01, 2019	Additions/ (Deletions)	Revaluations	As at September 30, 2020	Rate %	As at October 01, 2019	Adjustment	For the Year	As at September 30, 2020	
	Owned									
Land - freehold	261,313,059	-	-	261,313,059	0%	-	-	-	-	261,313,059
Buildings on freehold land										
- Factory	375,575,435	-	-	375,575,435	10%	138,759,980	-	23,681,546	162,441,526	213,133,909
- Non-factory	115,367,554	-	-	115,367,554	5%	23,447,667	-	4,595,994	28,043,661	87,323,893
Plant and machinery	3,360,693,365	-	-	3,360,693,365	5%	738,972,255	-	131,086,056	870,058,311	2,490,635,054
Electric equipment	624,971	-	-	624,971	10%	176,639	-	44,833	221,472	403,499
Furniture and fixtures	57,469,483	-	-	57,469,483	10%	44,385,544	-	1,308,394	45,693,938	11,775,545
Vehicles	24,985,116	-	-	24,985,116	20%	24,462,351	-	104,553	24,566,904	418,212
Total	4,196,028,983	-	-	4,196,028,983		970,204,436	-	160,821,375	1,131,025,812	3,065,003,171
Right of use assets										
Plant and machinery	139,500,000	-	-	139,500,000	10%	61,555,371	-	7,794,463	69,349,834	70,150,166
Total	139,500,000	-	-	139,500,000		61,555,371	-	7,794,463	69,349,834	70,150,166
Grand total 2020	4,335,528,983	-	-	4,335,528,983		1,031,759,807	-	168,615,838	1,200,375,646	3,135,153,337



15.01 Particulars of immovable property (i.e. land and building on land) are as follows:

Location / address	Usage of immovable property	Total area (Acres)	Approx. covered area (Acres)
Moza Jagmal, Ali Pur Jottoi Road, Tehsil Jattoi, Distt. Muzaffargarh	Curent Production Unit	72.05	55%
4 km, Nankana Bouchekei Road, Nankana Sahib	Land Area	72.81	0%

15.02 The depreciation charged for the year has been allocated as under:

	Note	2021 Rupees	2020 Rupees
Cost of sales	22	152,860,160	162,562,064
Administrative expenses	23	5,667,741	6,053,774
		<u>158,527,901</u>	<u>168,615,838</u>

15.03 Revalued land, building and plant and machinery:

The fair value of the Company's land, buildings and plant and machinery were determined by an independent professionally qualified valuer M/s Empire Enterprises on September 30, 2014. The valuation is based on an open market value.

Last revaluation was carried out by an independent valuer Arif Evaluators on 22nd January 2019. However, the Company decided not to incorporate the revalued amounts in financial statements in 2019. The fair value of land, building and plant and machinery as per evaluation report was 4,021.408 millions

Company is not complying with the requirements of IAS 16 paragraph 31 and 34 with respect to revaluation of property, plant and equipment which require that revaluation should be made with sufficient regularity.

The activity in the property markets in which these assets are located provides observable market data on which reliable fair value estimates can be derived. In determining the valuation, the valuer refers to current market conditions and recent sales transactions of similar properties for land; class and type of construction, quality of material used, standard of workmanship and finish for building; and contacted to supplier and different sugar plan manufacturing consultants in the Country or abroad for plant and machinery. In estimating the fair value of the property, the highest and best use of the property is their current use.

The carrying values of the land, buildings and plant and machinery would have been Rs. 96 million, Rs. 167 million and Rs. 763 million under the cost model.

The forced sale value of the revalued of land, buildings and plant and machinery was assessed at the discount of 20 % of the value of revaluation at the date of revaluation.



16 LONG TERM DEPOSITS

These mainly comprise of security deposits with Central Depository Company and Sui Northern Gas Pipeline Limited and other security receivables at factory location.

17 STORES, SPARES AND LOOSE TOOLS

Stores	55,729,399	55,729,399
Spares	163,397	163,397
	<u>55,892,796</u>	<u>55,892,796</u>

17.1 No identifiable store and spare are held for specific capitalization.

18 STOCK IN TRADE

Work in process

Sugar	-	-
Molasses	-	-

Finished goods

Sugar	-	-
	-	-
	<u>-</u>	<u>-</u>

19 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES - considered good

Advances to employees against purchases		2,949,795	699,794
Advances to employees against salary	20.01	1,028,215	871,975
Advances to growers - unsecured	20.02	3,471,314	19,065,736
Advance income tax		33,047,468	32,880,236
Deposits	20.03	8,712,721	8,712,721
		<u>49,209,513</u>	<u>62,230,462</u>

20.01 These are interest free amounts advanced to staff against future salaries and retirement benefits and are in accordance with the Company policy.

20.02 These represent interest free unsecured advances given to sugarcane growers against future procurement of sugarcane and are in consonance with other sugar manufacturers securing future supplies of sugarcane.

20.03 These represent interest free unsecured deposit with TCP and will likely be set off against the liability as mentioned in note # 11.1.

20 CASH AND BANK BALANCES

Cash in hand	54,919	30,787
Cash with banks - in current accounts	1,674,603	1,681,334
	<u>1,729,522</u>	<u>1,712,121</u>
	<u>2021</u>	<u>2020</u>

21 SALES - NET

	Note	Rupees
Sugar - Local		-
Molasses		-
Mud		-
		<u>-</u>
Less: Sales tax and federal excise duty		-
		<u>-</u>



22	COST OF GOODS SOLD			
	Salaries, wages and other benefits	22.01	5,465,709	3,908,014
	Repair and maintenance		1,690,909	1,861,845
	Depreciation	15.02	152,860,160	162,562,064
	Others		26,400	73,564
			<u>160,043,178</u>	<u>168,405,487</u>
	Opening work in process		-	-
	Closing work in process		-	-
	Cost of goods manufactured		<u>160,043,178</u>	<u>168,405,487</u>
	Opening finished goods		-	-
	Closing finished goods		-	-
			<u>160,043,178</u>	<u>168,405,487</u>
22.01	Salaries and benefits include Rs.Nil (2020: Rs. Nil million) on account of employee retirement benefits.			
23	ADMINISTRATIVE AND GENERAL EXPENSES			
	Salaries, wages and other benefits	23.01	4,196,375	4,385,428
	Traveling and conveyance		70,019	43,989
	Repairs and maintenance		-	23,320
	Fees and subscription		155,614	149,613
	Vehicle running and maintenance		52,720	106,690
	Printing and stationery		2,090	54,020
	Telephone and postage		27,000	24,077
	Advertisement		-	73,632
	Entertainment		37,000	68,192
	Legal and professional charges		961,400	538,600
	Depreciation	15.02	5,667,741	6,053,774
	Miscellaneous		106,770	97,430
			<u>11,276,729</u>	<u>11,618,765</u>
23.01	Salaries and benefits include Rs. Nil (2020: Rs. Nil million) on account of employees retirement benefits.			
24	OTHER OPERATING CHARGES			
	Auditors' remuneration			
	Statutory audit		225,000	500,000
	Half year review		30,000	60,000
	Review and certifications		20,000	40,000
	Out of pocket		25,000	25,000
			<u>300,000</u>	<u>625,000</u>
25	OTHER OPERATING INCOME			
	Scrap Sale		-	-
	Gain on sale of fixed assets		-	-
			<u>-</u>	<u>-</u>



26 FINANCE COST

Interest / mark up expense	167,700,716	230,364,193
Bank charges and commission	19,681	2,415
	<u>167,720,397</u>	<u>230,366,608</u>

27 TAXATION

Current tax		
For the year	-	-
Prior years	-	-
	-	-
Deferred tax	(30,523,388)	(48,892,363)
	<u>(30,523,388)</u>	<u>(48,892,363)</u>

27.01 No tax reconciliation between applicable tax rate and average tax rate is shown because the company's current tax liability is Nil during the year.

28 EARNING PER SHARE - Basic

(Loss) after taxation for the year	(308,816,916)	(362,123,497)
Outstanding weighted average ordinary shares	32,400,000	32,400,000
Earnings per share - Basic and diluted	<u>(9.53)</u>	<u>(11.18)</u>

28.1 Diluted earnings per share

There is no dilution effect on the basic earnings per share of the Company as the Company has no such commitments.

29 PLANT CAPACITY AND PRODUCTION

Processed cane

Installed capacity (tones)	-	-
Installed capacity (days)	-	-
Actual crushing (tones)	-	-
Actual crushing (days)	-	-
Actual production (percentage of actual capacity in tones)		

Sugar

Installed capacity (tones)	-	-
Installed capacity (days)	-	-
Actual production (tones)	-	-
Actual production (days)	-	-
Actual production (percentage of actual capacity in tones)	-	-
Cane sugar recovery	-	-

The reason for closure of production is disclosed in note # 14.4 to the financial statements.



30 FINANCIAL INSTRUMENTS BY CATEGORY	Note	2021	2020
		Rupees	
-As at Statement of Financial Position at amortized cost:			
Financial assets			
Long term deposits		490,000	490,000
Advances, deposits and other receivables		8,712,721	8,712,721
Cash and bank balances		1,729,522	1,712,121
		<u>10,932,243</u>	<u>10,914,842</u>
Financial liabilities			
Trade and other payables		321,248,541	320,975,525
Loan from directors and sponsors		841,942,639	841,731,639
Loan from financial institution		1,652,187,642	1,652,187,642
Accrued interest / mark-up		1,011,317,540	843,616,824
Unclaimed dividend		1,443,972	1,443,972
Short term borrowings		656,462,763	656,462,763
		<u>4,484,603,097</u>	<u>4,316,418,365</u>

30.01 Fair values of financial assets and liabilities

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 all financial assets and liabilities reflected in the financial statements approximate their fair values.

31 FINANCIAL INSTRUMENTS

31.01 Fair value and risk management

Fair value is the amount that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company is current bid price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).

Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).

inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).



31.02 The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. However, fair values are not disclosed as carrying values are reasonable approximation of their net fair value.

On-SOPF financial instruments

Carrying amount				Fair Value			
Fair Value through Profit or Loss	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total

As at 30 September, 2021:

Financial Assets not measured at fair value

Advances, deposits, prepayments and other receivables	-	8,712,721	-	8,712,721	-	-	-	-
Long Term Deposits	-	490,000	-	490,000	-	-	-	-
Cash and bank balances	-	1,729,522	-	1,729,522	-	-	-	-
	-	10,932,243	-	10,932,243	-	-	-	-

Financial Liabilities not measured at fair value

Loan from banking companies	-	-	1,652,187,642	1,652,187,642	-	-	-	-
Trade and other payables	-	-	320,975,525	320,975,525	-	-	-	-
Accrued Markup	-	-	1,011,317,540	1,011,317,540	-	-	-	-
Unclaimed Dividend	-	-	1,443,972	1,443,972	-	-	-	-
Loan from related parties	-	-	656,462,763	656,462,763	-	-	-	-
	-	-	3,642,387,442	3,642,387,442	-	-	-	-

As at 30 September, 2020:

Financial Assets not measured at fair value

Advances, deposits, prepayments and other receivables	-	8,712,721	-	8,712,721	-	-	-	-
Long Term Deposits	-	490,000	-	490,000	-	-	-	-
Cash and bank balances	-	1,712,121	-	1,712,121	-	-	-	-
	-	10,914,842	-	10,914,842	-	-	-	-

Financial Liabilities not measured at fair value

Loan from banking companies	-	-	1,625,000,000	1,625,000,000	-	-	-	-
Trade and other payables	-	-	320,975,525	320,975,525	-	-	-	-
Accrued Markup	-	-	843,616,824	843,616,824	-	-	-	-
Unclaimed Dividend	-	-	1,443,972	1,443,972	-	-	-	-
Loan from related parties	-	-	656,462,763	656,462,763	-	-	-	-
	-	-	3,447,499,084	3,447,499,084	-	-	-	-

31.03 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. There were no changes to Company's approach to capital management during the year. The Company is not subject to any externally imposed Capital requirements.



The Company manages its capital structure and makes adjustment to it in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may issue right shares or negotiate with banks for new financing or restructure existing financing.

	2021	2020
	Rupees	
The gearing ratios were as follows:		
Long term financing	1,652,187,642	1,652,187,642
Short term financing	656,462,763	656,462,763
Total debt	2,308,650,405	2,308,650,405
Total Equity	(1,593,470,651)	(1,284,864,735)
Capital employed	715,179,754	1,023,785,670
Gearing ratio	-223%	-126%

31.04 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on having cost effective funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

Risk management is carried out by the Company's finance department under policies approved by the Board of Directors.

(a) Market risk

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Company has no significant interest-bearing assets, the Company's income and resultantly operating cash flows are substantially independent of changes in market interest rates.

At the reporting date, the interest rate profile of the company's significant interest bearing financial instruments was as follows:

Financial liabilities

	2021	2020	2021	2020
	Percentage		Rupees	
	3Mk +1.25%	3Mk		
Long term financing			1,625,000,000	1,625,000,000
Total yield / markup rate risk sensitivity gap			1,625,000,000	1,625,000,000

Fair value sensitivity analysis for fixed rate instruments:



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

Cash flow sensitivity analysis for variable rate instruments:

	Effect on Profit and Loss 1% rate	
	Increase	Decrease
As at September 30, 2021		
Cash flow sensitivity - variable rate financial liabilities	<u>16,250,000</u>	<u>(16,250,000)</u>
As at September 30, 2020		
Cash flow sensitivity - variable rate financial liabilities	<u>16,250,000</u>	<u>(16,250,000)</u>

(ii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to equity securities price risk as there is no investment in listed securities.

(iii) Foreign currency risk

The Company does not have any commitment or balance in foreign currency as at financial position date which result in foreign currency risk.

(b) Credit risk

Credit risk represents the risk of financial loss being caused if counter parties fail to discharge an obligation.

Credit risk arises from deposits with banks, trade debts, loans and advances, deposits and other receivables. The company seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable. Where considered necessary, advance payments are obtained from certain parties. The maximum exposure to credit risk is is equal to carrying amount of financial assets. Out of total financial assets of Rs. 65,033,441 (2020: Rs.64,432,583) the financial assets exposed to credit risk amount to Rs. 20,025,515 (2020 : 19,765,530)

The Company monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings. The carrying values of financial assets which have not impaired are as under:



	2021	2020
	Rupees	
Long term deposits	490,000	490,000
Advances, deposits, prepayments and other receivables	49,209,513	62,230,462
Bank balances	1,729,522	1,712,121
	<u>51,429,035</u>	<u>64,432,583</u>

The credit quality of receivables can be assessed with reference to their historical performance with no or some defaults in recent history, however, no losses. The credit quality of Company's bank balances can be assessed with reference to external credit.

Bank	Rating agency	Borrowings	Loans
United Bank Limited	JCR-VIS	A-1+	AAA
The Bank of Punjab	PACRA	A-1+	AA+
Sindh Bank Limited	JCR-VIS	A-1	A+
MCB Bank Limited	PACRA	A-1+	AAA
National Bank of Pakistan	JCR-VIS / PACRA	A-1+	AAA

Geographically, there is no concentration of credit risk.



(c) **Liquidity risk**

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate committed credit facilities and directors and sponsor of the Company.

The table shows analyses how management monitors net liquidity based on details of the remaining contractual maturities of financial assets and liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

	2021			
	Carrying Amount	Contractual cash flows	Upto twelve months	Two to five years
Financial Liabilities				
Loan from banking companies	1,652,187,642	1,652,187,642	1,652,187,642	-
Trade and other payables	321,248,541	321,248,541	321,248,541	-
Accrued Markup	1,011,317,540	1,011,317,540	1,011,317,540	-
Unclaimed Dividend	1,443,972	1,443,972	1,443,972	-
Loan from related parties	656,462,763	656,462,763	656,462,763	-
	3,642,660,458	3,642,660,458	3,642,660,458	-
	2020			
	Carrying Amount	Contractual cash flows	Upto twelve months	Two to five years
Financial Liabilities				
Loan from banking companies	1,652,187,642	1,652,187,642	1,244,187,642	-
Trade and other payables	320,975,525	320,975,525	320,975,525	-
Accrued Markup	843,616,824	843,616,824	843,616,824	-
Unclaimed Dividend	1,443,972	1,443,972	1,443,972	-
Loan from related parties	656,462,763	656,462,763	656,462,763	-
	3,474,686,726	3,474,686,726	3,066,686,726	-



32 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise holding company, subsidiaries and associated undertakings, other related group companies, key management personnel including Chief executive, Directors and Executives and Post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Details of related party transactions and balances are as follows:

The Company during the year entered into transactions with the following related parties:

Name of Related Party	Nature of relationship	% of Shareholding
Abdullah Sugar Mills Limited	Associate (common management/directorship)	8.952
Haseeb Waqas Trading (Private) Limited	Associate (common management/directorship)	-
Mian Waqas Riaz	Director	2.37
Mrs. Shehzadi Ilyas	Director	7.42
Mrs. Zainab Waqas	Director	1.029
Mian Haseeb Ilyas	Chief Executive / Director	6.832
Mian Abdullah Ilyas	Director	9.218
Key Management Personnel	Employer - Employee	-

32.1 Details of related party transactions other than those with key management personnel

The Company during the year entered into following transactions with related parties other than key management personnel:

	2021	2020
32.1.1 Transactions with related parties	Rupees	
Sale of molasses		
Abdullah Sugar Mills Limited	-	-
(Repayment) / Obtain loan (to) / from - net:		
Abdullah Sugar Mills Limited	-	(1,078,784)
Mrs. Shehzadi Ilyas	211,000	100,000
Mian Abdullah Ilyas	-	-
Mian Haseeb Ilyas	-	-
Mian Abdullah Ilyas	-	-

32.1.2 Payments against balances due to related parties were made partially in cash and partially by paying for expenses on behalf of related parties and vice versa.

32.2 Details of related party balances are as follows:

	2021	2020
32.2.1 Balances payable to related parties	Rupees	
Haseeb Waqas Trading (Private) Limited	2,204,064	2,204,064
Abdullah Sugar Mills Limited	654,258,699	654,258,699
Mian Waqas Riaz	15,597,680	15,597,680
Mrs. Shehzadi Ilyas	408,393,756	408,182,756
Mrs. Zainab Waqas	117,500,100	117,500,100
Mian Haseeb Ilyas	252,257,150	252,257,150
Mian Abdullah Ilyas	48,193,953	48,193,953

32.3 Compensation of directors, chief executive and executives

	Year ended 30 September 2021		
	Chief		
	Executive	Directors	Executives
Remuneration	-	-	3,000,000
Other benefits	-	-	-
	-	-	3,000,000
No. of persons	-	-	1



	Year ended 30 September 2020		
	Chief Executive	Directors	Executives
Remuneration	-	-	3,000,000
Other benefits	-	-	-
	<u>-</u>	<u>-</u>	<u>3,000,000</u>
No. of persons	<u>-</u>	<u>-</u>	<u>1</u>

Due to the negative cash flows, the Chief Executive and all the Directors of the Company have waived their right to receive Directors' remuneration and meeting fee. Additionally, Chief Executive and one Director are provided with free use of cellular phones and Company maintained cars.

33 ENTITY WIDE INFORMATION

The Company constitutes of a single reportable segment, the principal product is refined white sugar.

Information about geographical areas

The Company does not hold non-current assets in any foreign country. Revenues from customers attributed to foreign countries is nil during the current year.

Information about major customers

The Company does not have transactions with any external customer which amount to 10 percent or more of its revenues.

34 NUMBER OF EMPLOYEES

	Number of employees	
Average number of employees during the year	<u>29</u>	<u>54</u>
Number of employees as at September 30	<u>26</u>	<u>26</u>

35 AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements have been authorized for issue by the Board of Directors of the Company on January 03, 2022.

36 GENERAL

Figures have been rounded off to the nearest of Pakistani Rupees,
Comparative figures have been rearranged / reclassified, wherever necessary, to facilitate comparison.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



FORM OF PROXY

The Company Secretary
Haseeb Waqas Sugar Mills Limited
06-F, Model Town,
Lahore.

I / We _____
of _____ being member(s) of Haseeb Waqas Sugar Mills Limited
holding _____ ordinary Shares as per Share Register Folio No./CDC Participant I.D. No.
_____ hereby appoints Mr/Mrs/Miss _____ of _____ who is also a
member of the Company, Folio No./CDC Participant I.D. No. _____ or failing
him/her _____ of _____ Folio No./ CDC Participant I.D. No.
another member of the Company as my / our Proxy in my / our absence to attend and vote for me/us
and on my/our behalf at the 28th Annual General Meeting of the Company to be held on 25 January
2022 at 09:00 a.m. at the Registered Office of the Company.

Signed this _____ day of _____ 2022

Please affix Five
Rupees Revenue
Stamp

Signature of Member

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

Witness:
Signature: _____
Name: _____
Address: _____
NIC No: _____

Witness:
Signature: _____
Name: _____
Address: _____
NIC No: _____

Notes

1. This proxy form, duly completed and signed, must be received at the Registered Office of the Company, 6-F, Model Town, Lahore, not less than 48 hours before the time of holding the meeting.
2. If a member appoints more than one proxy and more than one instruments of proxies are deposited by a member with the company, all such instruments of proxy shall be rendered invalid.
3. No person can act as proxy unless he / she is member of the Company, except that a corporation may appoint a person who is not a member.

For CDC Account Holders / Corporate Entities.

In addition to the above, the following requirements have to be met.

- i. The proxy form shall be witnessed by two persons whose names, addresses and CNIC number shall be mentioned on the form.
- ii. Attested copies of CNIC or Passport of the beneficial owners and the proxy shall be provided with the proxy form.
- iii. The proxy shall produce his **original CNIC or Passport** at the time of attending the meeting.
- iv. In case of corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.