



life is
sweet
so take
a big bite



About This Report

People all around the world not only eat sugar as part of
healthy, nutritious, balanced diet
but to celebrate happiness
brought by life making occasions special
by adding sweet-ness to the life.

Happiest moments of life are always shared with sweets,
Whether it be the birth of a baby ,
a marriage
or be it a birthday
celebrations require an integral part
of what comprises our business YES sugar...

We strive everyday to make your life even more sweet!

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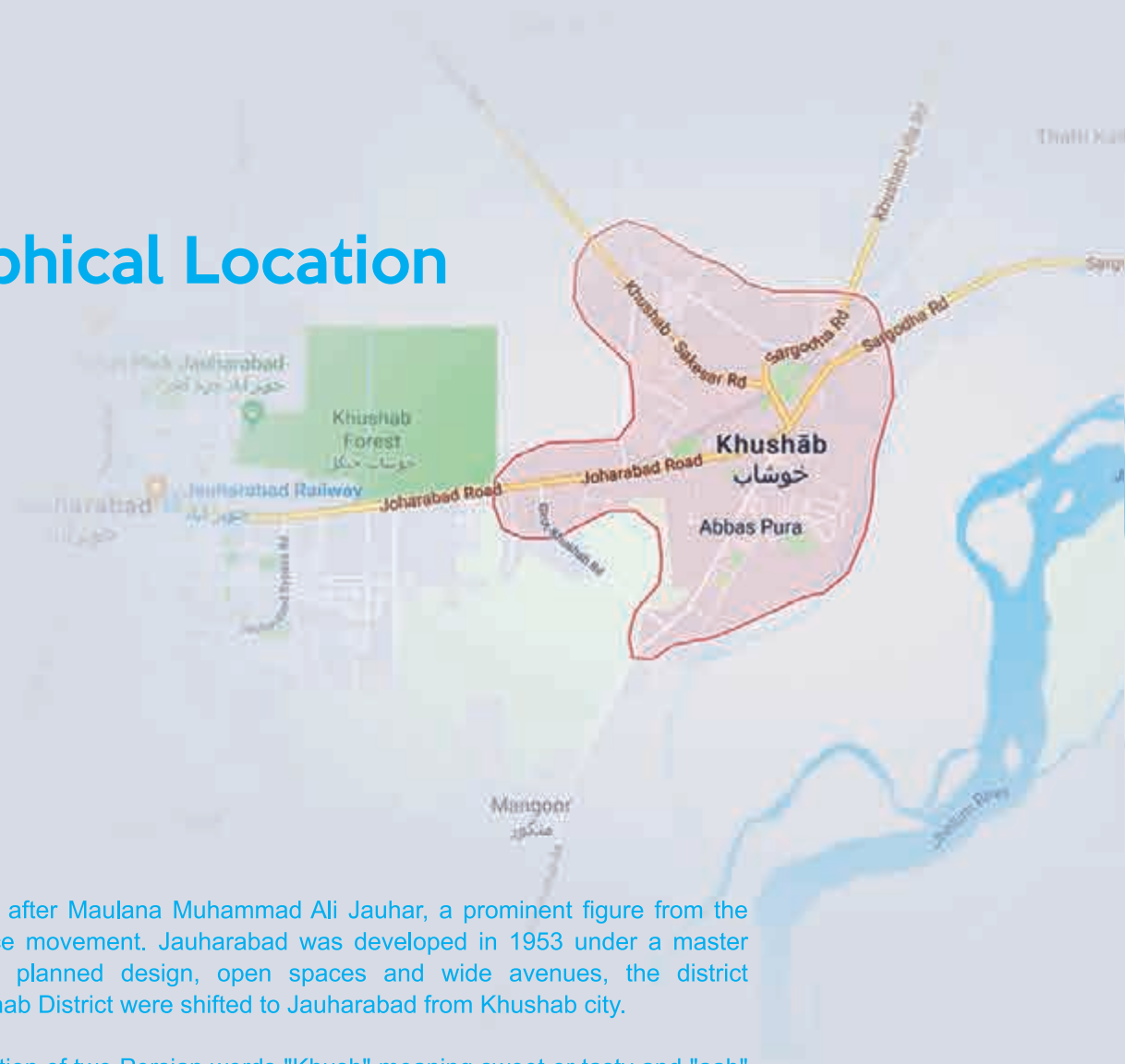
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Geographical Location



Khushab District

Jauharabad is named after Maulana Muhammad Ali Jauhar, a prominent figure from the Pakistan independence movement. Jauharabad was developed in 1953 under a master plan. Because of its planned design, open spaces and wide avenues, the district headquarters of Khushab District were shifted to Jauharabad from Khushab city.

Khushab is a combination of two Persian words "Khush" meaning sweet or tasty and "aab" meaning water. A common belief is that the Persian invaders, from the west, first used the word "Khush-aab" in admiration of the sweet and tasty water found in the historical city situated on the bank of river Jhelum. With time the city started to be known as Khushab.

Khushab is a District of Punjab, situated between Sargodha and Mianwali, near river Jhelum. Khushab owns mountains, deserts, luxuriant green harvesting land, lakes and river. People of Khushab are very hardworking and most of them are associated with farming and agriculture. Khushab is also known for its delicious sweets specially "DHODA".



"DHODA" a known sweet delight to cherish happiness from Khushab District.

Corporate Information

Board of Directors

Mr. Ghias-Ul-Hasan
Mr. Amjad Bashir Hussain
Mr. Amjad Javed Aftab
Mr. Saif-Ur-Rehman
Mr. Farhan Ilyas
Mr. Muhammad Aamir Beg
Mr. Jamal Ahmed

Chief Executive
Independent Director
Dependent Director
CPL Nominee
CPL Nominee
CPL Nominee
CPL Nominee

Audit Committee

Mr. Amjad Bashir Hussain
Mr. Muhammad Aamir Beg
Mr. Saif-Ur-Rehman

Chairman
Member
Member

Human Resource and Remuneration Committee

Mr. Farhan Ilyas
Mr. Jamal Ahmed
Mr. Ghias-Ul-Hasan

Chairman
Member
Member

CFO & Company Secretary

Mr. Imran Ilyas

Head of Internal Audit

Syed Muhammad Usman Afzaal

Auditors

UHY Hassan Naeem & Co.
(Chartered Accountants)
193-A, Shah Jamal, Lahore, Pakistan.
Phone No. 042 35403550
Fax No. 042 35403599
E-mail: info@uhy-hnco.com

Share Registrar

Corplink (Pvt.) Limited
Wings Arcade, 1-K Commercial
Model Town, Lahore, Pakistan.
Phone No. 042 35916714
Fax No. 042 35869037
E-mail: shares@corplink.com.pk

Legal Advisor

Allied Legal Services
1st Floor, 30-The Mall Mansions
Opposite State Bank of Pakistan
The Mall, Lahore, Pakistan.
Phone No. 042 37354090
Fax No. 042 37310906

Registered Address

109-A, Street # 3, Cavalry Ground
Lahore Cantt., Pakistan.
Phone No. 042 37175229
Fax No. 042 37175256
E-mail: secretary@jsml.com.pk

Mills

Jauharabad
District Khushab, Pakistan.
Phone No. 0454 720063-6
Fax No. 0454 720880

Bankers of the Company

Askari Bank Limited
Soneri Bank Limited
Habib Metropolitan Bank Limited
United Bank Limited
Bank Alfalah Limited

JS Bank Limited
Faysal Bank Limited
National Bank of Pakistan
Habib Bank Limited
Allied Bank Limited

Islamic Bankers of the Company

Albaraka Bank Pakistan Limited
MCB Islamic Bank Limited
Dubai Islamic Bank Limited

Company Website

www.jsml.com.pk

Corporate Profile

Jauharabad Sugar Mills Limited is a Public Limited Company, and has a privilege of being one of the pioneer sugar mills of Pakistan. Initially in 1955 it was setup by THAL Development Corporation of Pakistan which was later privatized in 1961 and was listed as on December, 1973 at Pakistan Stock Exchange Limited and has been in operation for the last sixty-five years. Further in March 2013 the current management acquired major shareholding of the Company by taking over its assets and liabilities, paying-off old sponsors and renaming it as Jauharabad Sugar Mills Limited from Kohinoor Sugar Mills Limited. This takeover enabled the Company to settle previous bank /grower/creditor debts. A major Balancing, Modernization and Replacement of Machinery has been carried out thus enabling the Company to achieve stated capacity to 7,000 TCD of its currently operating crushing line-II, in addition to crushing line -I having stated capacity to 5,500 TCD. The new sponsors have shown their commitment by conducting this BMR and repair works through their own resources. The Company has successfully consolidated its Sugar Mills operations and financially strengthened its position over period of five crushing seasons. The Company in June 2016 following its vision and strategy of diversification has opted to install biomass based 15MW Co-generation Power Plant, under Captive Power Plant regime with upfront determined tariff, to export electricity. Power project is currently in finalization stage with expected commencement of commercial operations by end of this financial year. The Company is playing its role for developing regional agronomy, generating employment and bringing happiness among the people directly and indirectly associated with it.



Vision Statement

To become a market leader in the industry while setting out high quality standards.





Mission Statement

To produce quality sugar and allied products by maintaining a high standard of efficiency and staying competitive to ensure customer satisfaction and to provide a comfortable level of return to all stakeholders.

Strategic Objectives and Commitments

Strategic objectives serve an organization ambition which can be found in its vision and mission statements. These statements together describe the main thrust of the Company and its ultimate goal. At Jauharabad Sugar Mills Limited our key strategic objectives involve the followings;

- To remain committed to grow core business of sugar production and to invest in allied projects that will optimize return to the Company. Business diversification strategy will help to overcome risk associated to sugar business.
- To achieve the highest ethical and moral business values and in true spirit compliance of Code of Corporate Governance.
- Exploring and enhancing the potential of our human resources while seeking employee involvement, continuous improvement and sharing the success of the Company.
- To adopt safe operational practices, continuous process of modernization of production facilities, cost effective measures, enhance capacity efficiency and strict adherence to high quality standards.
- To consider human resources as the most important asset and help them in providing facilities with regard to training and updating their knowledge and skill which help to keep them motivated.
- To maintain highest standards of HSE and environmental protection and catering the social welfare requirements of the communities inhabiting the area of operations.
- To achieve quantum growth, long-term sustainability and to provide attractive value addition to all stakeholders while contributing towards the prosperity of the people of this country.




Statement of Ethics and Business Practices

The following principles constitute the code of conduct which all directors and employees of Jauharabad Sugar Mills Limited are required to apply in their daily work and observe the code of conduct of the Company's business. While the Company will ensure that all employees are fully aware of these principles, it is the responsibility of each employee to implement the Company's policies, any contraventions against it will be viewed as misconduct towards the code. The code emphasizes the need for a high standard of honesty and integrity which are vital for the success of any business.

Ethical Principles:

1. Directors and employees are expected not to engage in any activity which can cause conflict between their personal interest and the interest of the Company such as interest in an organization supplying goods/services to the Company or purchasing its products. In case a relationship with such an organization exists, the same must be disclosed to the Management.
2. Dealings with third parties which include Government officials, suppliers, buyers, agents and consultants must always ensure that the integrity and reputation of the Company are not in any way compromised.
3. Directors and employees are not allowed to accept any favours or kickbacks from any organization dealing with the Company.
4. Directors and employees are not permitted to divulge any confidential information relating to the Company to any unauthorized person, nor should they, while communicating publicly on matters that involve Company business, presume to speak for the Company unless they are certain that the views that they express are those of the Company and it is the Company's desire that such views be publicly disseminated.
5. All employees share a responsibility for the Company's good public relations particularly at the community level. Their readiness to help with religious, charitable, educational and civic activities is accordingly encouraged provided it does not create an obligation that interferes with their commitment to the Company's best interests.
6. The Company has strong commitment to the health and safety of its employees and preservation of the environment and the Company will persevere towards achieving continuous improvement of its Health, Safety and Environment (HSE) performance by reducing potential hazards, preventing pollution and improving awareness. Employees are required to operate the Company's facilities and processes keeping this commitment in view.





Always as the center of life's biggest moments
Celebration of the smallest instance in life
What memories and stories are made of
How we connect and re-connect
an overture of friendship
an affordable luxury
a precious treat

Sugar may not be something that keeps us alive, but certainly it
makes life a lot lovelier and more interesting ... makes it even more
sweet.

Sweets are indulgence. They are love.
Yes! We make them sweet for you.

Core Values

SAFETY

We believe SAFETY must be at the forefront of all our decision making.



INTEGRITY

We believe INTEGRITY is at the heart of our individual and corporate actions.



RESPECT

We believe RESPECT to each other will guide us in all our decisions.



HONESTY

We believe HONESTY is an integral part of our working relationships.

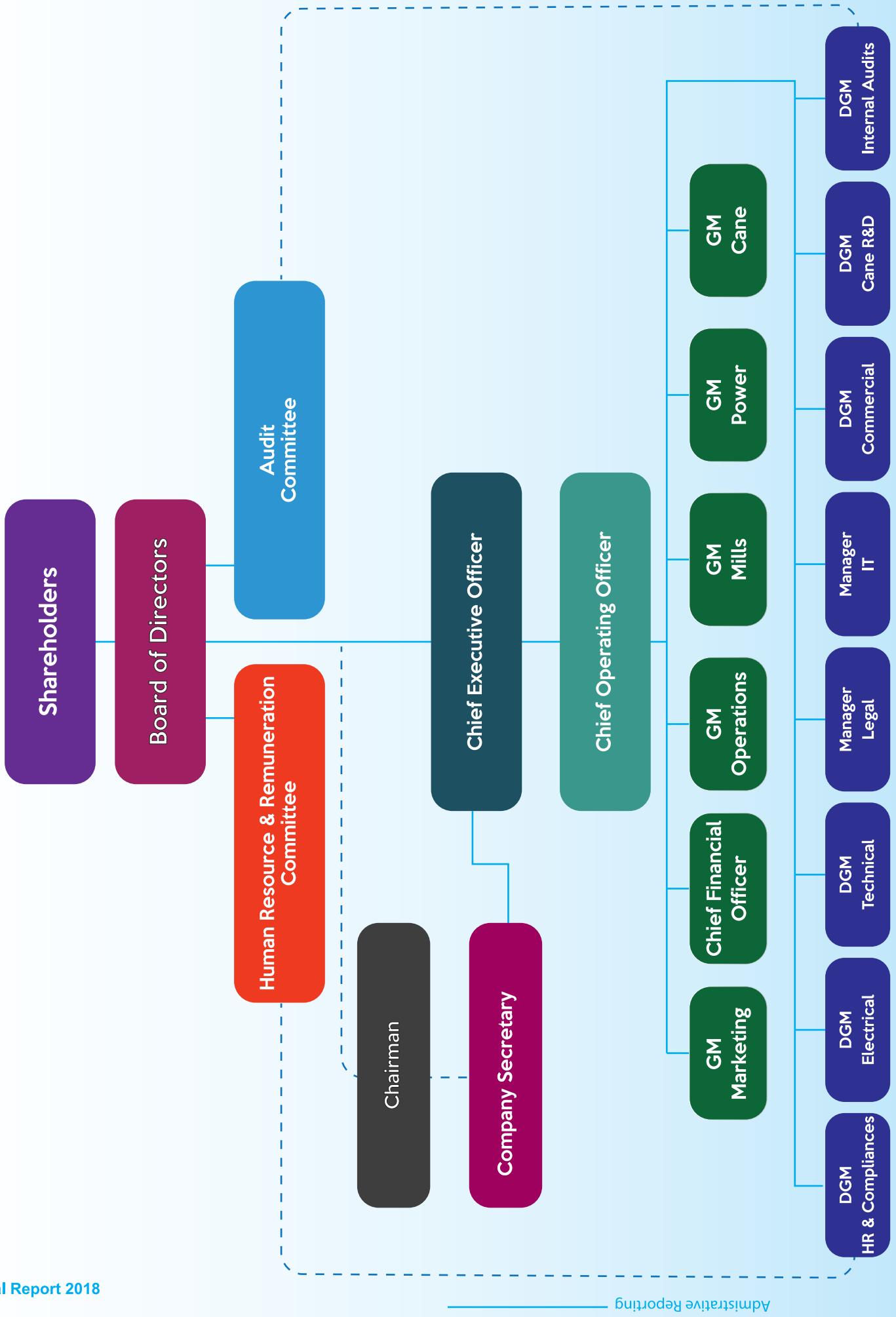


TEAMWORK

We believe TEAMWORK empowers our individual strengths.



Organizational Structure



Management Committee



Imran Ilyas

Chief Financial Officer
Seasoned professional having overall experience of twenty-two years with some of the country's most prestigious national and multi national organizations. He has been associated with the Company since last five years.



Amjad Mehmood Sheikh

General Manager Operations of the Company, is skillful business analyst, twenty-eight years of experience that drive business operations to success. He is enthusiastic and dependable individual who excels in challenging and competitive environments with an ability to lead and manage team performance and produce high quality results.

Chaudhary Muhammad Younus

General Manager Cane of the Company, has a rich experience of more than thirty-six years in sugarcane procurement and has served number of sugar mills in various capacities as Head of Cane Department, Manager Cane. He has good knowledge of sugarcane agronomy, plant protections and supply chain.



Khwaja Arslan Ahmed

Head of Commercial Department, is having practical experience over twenty five years with textile and sugar sectors. He, has good knowledge of sources of materials, is capable to handle procurement, to apply negotiation techniques and to assure timely supplies.



Amanat Ali

Head of Electrical Department, with an affluent experience of more than forty-seven years and has served number of national organizations in various capacities as, head of development, Electrical and Quality Control Manager. His proficiency will defiantly be an extensive contribution towards the Company's operations and objectives.



Fateh Ullah

Head of Technical Department with technical experience of more than thirty-one years with national organizations including sugar mills, capable to perform in challenging environments with an ability to lead and manage team.



Tariq Mehmood

Head of HR Department
Affluent experience of more than eleven years with some of the country's most exalted national organization including sugar mills. His academic laurels include mater in business admiration and law graduation. He has successfully implemented policies and HRIS.



Syed Muhammad Usman Afzaal

Head of Internal Audits Department
Financial analyst with a professional qualification of accountancy from prestigious institution of Pakistan, besides enjoys rich experience of more than six years. He is proficient at increasing work efficiency through application of analytical process and audit skills that drives the transparency in the operations of the Company.





Calendar of Major Events

01

Friday, January 26, 2018

First Quarter
Results issued



02

Thursday, May 24, 2018

Second Quarter
Results issued



03

Thursday, July 26, 2018

Third Quarter
Results issued



04

Friday, December 28, 2018

Annual Results issued



05

Monday, January 28, 2019

50th Annual General
Meeting Scheduled





Notice of 50th Annual General Meeting

Notice is hereby given that the Fiftieth Annual General Meeting of the members of Jauharabad Sugar Mills Limited (the "Company") will be held on Monday, January 28, 2019 at 11:30 a.m., at its Register Office 109-A, Street # 3, Cavalry Ground, Lahore Cantt., to transact the following business:

Ordinary Business

1. To confirm the minutes of Annual General Meeting held on January 27, 2018 .
2. To receive, consider and adopt the audited annual financial statements of the Company for the year ended September 30, 2018 together with Directors' and Auditors' Reports and Chairman's Review Report thereon.
3. To consider and approve, as recommended by the Board of Directors, the payment of cash dividend for the year ended September 30, 2018 @ 10% i.e. Re.1/- per ordinary share.
4. To appoint Auditors for the next financial year ending September 30, 2019 and to fix their remunerations. M/S UHY Hassan Naeem & Co., 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

IMRAN ILYAS
Company Secretary

Lahore : January 07, 2019

Monday 28TH JANUARY 2019 50th Annual General Meeting

NOTE:

1. The share transfer books of the Company will remain closed from January 21, 2019 to January 28, 2019 (both days inclusive). Transfer received in order by the Company's Share Registrar, M/s Corplink (Private) Limited, Wings Arcade, 1-K, Commercial, Model Town; Lahore up to the close of business on January 20, 2019 will be treated in time for entitlement to attend the Annual General Meeting.
2. A member entitled to attend and vote at the meeting may appoint another member as his/her proxy to attend and vote on his/her behalf. In case of corporate entity, the Board of Directors Resolution/Power of Attorney with specimen signature of the representative shall be submitted along with Proxy Form of the Company, Proxies, in order to be affective, must be received at the registered office of the Company 48 hours before the time of holding of the meeting.
3. Those members who have deposited their shares with the Central Depository Company of Pakistan Limited (CDC) are requested to bring their original CNIC, Account and Participation's Numbers. Such members will further have to follow the guidelines as laid down in the Securities and Exchange Commission of Pakistan's Circular No. 1 dated January 26, 2000.
4. The members should quote their folio number in all correspondence with the Company and at the time of attending the Annual General Meeting.
5. Members are requested to notify the change of their registered addresses, Zakat Declaration, and tax exemption status, if any, duly accompanied with its valid certificates, immediately to Company's Share Registrar.
6. As per provisions of Section 242 of the Companies Act, 2017, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled members. Accordingly, all members are requested to provide Dividend Mandate Information to the Company's Share Registrar, member broker, participant/CDC investor Account Services. In case of shares held in CDC, the same information should be provided directly to the CDS. A notice of the foregoing seeking information from the members is being sent to them separately. Standard Request form has also been placed on the Company's website www.jsml.com.pk. In case of failure to provide the information, the Company will be unable to pay the dividend.
7. Pursuant to the provisions of the Finance Act 2017 effective from July 01, 2017, the rate of deduction of income tax from dividend payments has been revised as follows:

i	Rate of Tax deduction for filers of income tax return	15%
ii	Rate of Tax deduction for Non-filers of income tax return	20%

Share holders whose names are not entered in the Active Tax-Payers List (ATL) available on the website of FBR, despite the fact that they are filers, are advised to immediately make sure that their names are entered in ATL, otherwise tax on their cash dividend will be deducted @ 20% instead of 15%.

8. The Corporate members having CDC account are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical members should send a copy of their NTN certificate to the Company's Share Registrar.
9. As per FBR's clarification, the valid Exemption Certificate under Section 159 of the Ordinance is mandatory to claim exemption of withholding tax under

Clause 47B of Part-IV of Second Schedule to the Ordinance. Those who fall in the category mentioned in above Clause must provide valid Tax Exemption Certificate to the Company's Share Registrar; otherwise tax will be deducted on dividend amount as per prescribed rates.

10. The FBR has clarified that shareholders' accounts jointly held by Filers and Non-Filers shall be dealt with separately and in such particular situation, each account holder is to be treated as either a Filer or a Non-Filer and tax will be deducted according to his shareholding. If the share is not ascertainable then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher rate, the joint account holders are requested to provide the below details of their shareholding to the Company's Share Registrar latest by the AGM date.

Folio/CDC Account No.	Name of Shareholder	CNICShareholding	Total Shares	Principal/Joint Shareholder
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11. Section 244 of the Companies Act 2017 requires that any shares that remain unclaimed for a period of three years (or more) are to vest with Federal Government. The law requires the Company to deposit any unclaimed or unpaid amount to the credit of the Federal Government, if no claim is made before the Company after giving due notices to the shareholders. Through this notice all shareholders who by any reason could not claim their dividend or shares are advised to immediately collect / enquire about their unclaimed dividend or pending shares, if any, with Company's Share Registrar.
12. The Annual Audited Financial Statements of the Company for the year ended September 30, 2018 along with Auditors and Directors Report and Chairman's Review Report thereon have been placed on the Company's website: www.jsml.com.pk.
13. Transmission of Annual Financial Statements through email

The Securities and Exchange Commission of Pakistan vide SRO 787(1)/2014 dated September 08, 2014 has allowed companies to circulate annual balance sheet, profit & loss account, auditor's and Directors' reports and Chairman's Review Report along with notice of annual general meeting to its members through email. Members who have provided their email addresses are being sent the same by email. Members who have not provided their email addresses and wish to avail this facility may send their consent along with email address to the Company. Hard copies of the annual audited accounts will be provided on demand.
14. In accordance with section 132(2) of the Companies Act, 2017, if the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 7 days prior to date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. The Company will intimate to such shareholders information regarding venue of video conference facility at least 5 days before the date of the Annual General Meeting to enable them to access to such facility.
15. Members can exercise their right to demand a poll subject to meeting requirements of section 143 to Section 145 of the Companies Act, 2017 and applicable clauses of the Companies (Postal Ballot) Regulations, 2018.



Chairman's Review

It is a great honor and I feel privileged on being entrusted with the Chairmanship of Jauharabad Sugar Mills Limited's Board of Directors. I pledge all my faculties to contribute immensely towards the growth of the Company.

This year probably remained a most challenging year, as sugar sector faced the glut globally. Pakistan's sugar industry also faced domestic challenges including bumper production, carryover of unprecedented inventory, changing environmental conditions and water shortage. However, the Company managed to post profitability mainly due to resilience in sales strategy under competitive environment, stringent cost controls, improvisation and balancing of production facility and incentivizing growers for smooth supply of sugarcane besides assuring continuous transparency and good governance throughout the Company.

This year, the Company also contributed over US\$ 1.682 million to the Country's foreign exchange reserves through the Government of Pakistan's initiative to export surplus sugar and has contributed over Rs. 297.029 million to the National Exchequer in the form of taxes and levies.

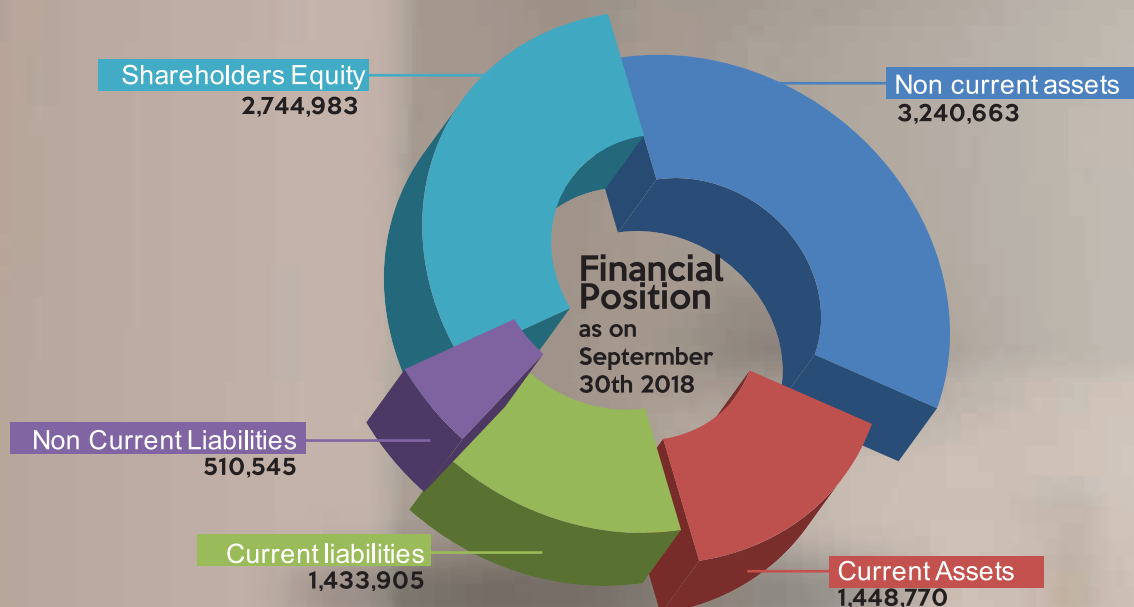
I am pleased to report that the performance of the Board of Directors of the Company remained par excellence throughout the year. The composition of Board reflects mix of seasoned portfolio, contributing regular strategic guidance, creating new benchmarks, approving budgets, ensuring competent team, evolving risk mitigation strategies, implementing diversification strategy, while maintaining its reputation for good governance besides providing steady value addition to its shareholders. All significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision-making process, which led to a harmonious partnership with management.

Lastly, I would like to appreciate the hard work and dedication put in by every person associated with Jauharabad Sugar Mills Limited to place us at a high rank and making "KOHINOOR" a brand of choice for its loyal customers, through all of these we will ensure that we remain on path to success and attain sustainable growth.



Mr. Aamir Beg
Chairman

Lahore: December 28, 2018



Rupees in thousands

Director's Report

The Board of Directors place before you the annual report of the Company together with the audited financial statements and auditors' report thereon for the year ended September 30, 2018.

Industry Review

Sugar industry, being the second largest agro-based industry, plays a vital role in creating healthy economic activities in the country. During this crop year, sugarcane remained highest contributor towards agricultural GDP growth of the country and was grown on approximately 1.31 million hectares of land [CY2017: 1.22 million hectares]. This resulted in an estimated production of 81.10 million tons of sugarcane [CY2017: 75.48 million tons], an increase of 7.45% YOY basis, attributable mainly to 7.8% increase in cultivated area. Despite the fact, this crushing season the industry has again witnessed a bumper crop but owing to the adverse climatic conditions i.e. lack of water for irrigation and less rain fall during the year, per hectare yield has dropped by 0.3% YOY basis, producing 6.7 million tons of sugar [CY2017: 7.0 million tons] making Pakistan the 5th largest sugar producer in the world and also the net export of the product. This year remained one of the most challenging years for the industry. Besides global glut and depressed international price, the industry has witnessed massive decline in selling price of sugar appose to higher cost of sugarcane set by the government, carryover of unprecedented inventory of approximately 1.5 million tons of sugar, changing environmental behavior, water shortfall for irrigation and others. To counteract this over supply situation, the Government took an initiative and announced in batches partially subsidy-based export of 2.0 million tons during the year which was utilized accordingly. Going forward, sugar production in Pakistan is anticipated to remain in line with annualized domestic consumption.

Operational Review

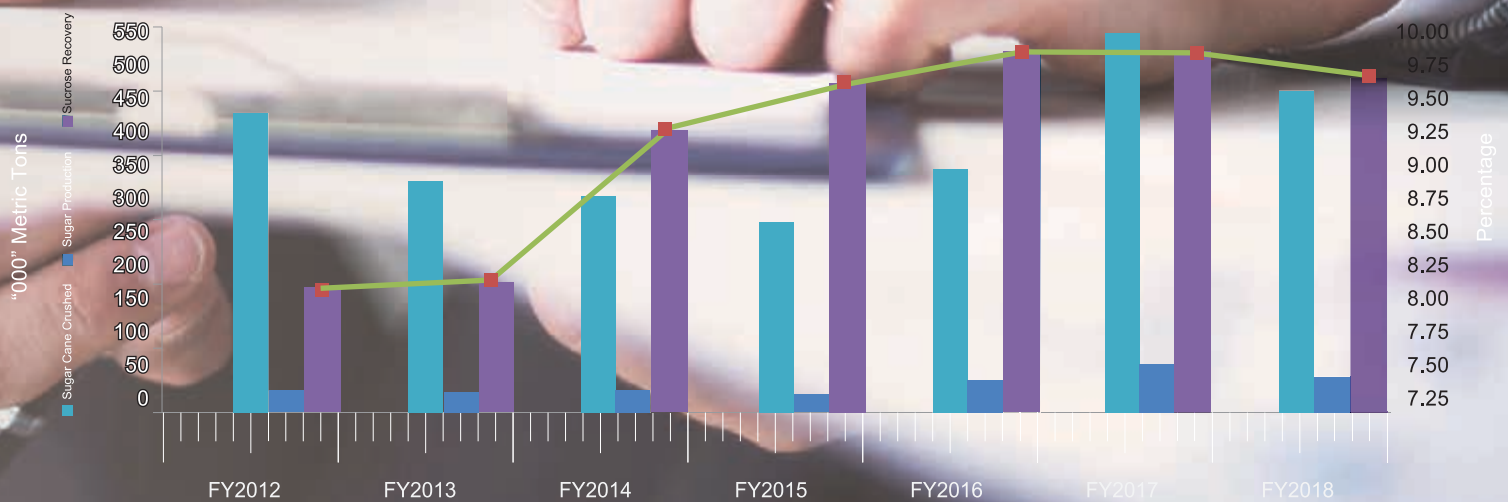
The production and sales statistics for the company for the crushing season 2017-18 as compared to last crushing season are as follows:

Description	Units	FY2018	FY2017	YOY Change
Working Days	Days	131	130	0.77%
Sugar Cane Crushed	M. Tons	441,646	546,857	(19.24%)
Sugar Produced	M. Tons	42,846	53,972	(20.61%)
Sugar Recovery	Percentage	9.7%	9.87%	(1.72%)
Sugar Sold - Domestic	M. Tons	33,970	38,926	(12.73%)
Sugar Sold - International	M. Tons	5,012	3,897	28.61%
Sugar Sold -Total	M. Tons	38,982	42,823	(8.97%)
Molasses Produced	M. Tons	21,835	25,256	(13.55%)
Molasses Recovery	Percentage	4.94%	4.62%	6.93%

During this financial year, the Company has started season on 30th November, 2018 [CY2017: 25th November, 2017] and operated for 131 days, one day more as compared to last crushing year. The Company has produced 42,846 tons [FY2017: 53,972 tons] of white sugar at 1.72% YOY reduced recovery rate of 9.70 percent [FY2017: 9.87 percent] by crushing 441,646 tons [FY2017: 546,857 tons] of sugarcane during crushing year under review. Despite the fact that previously non-functional mills have become operative in our region, the Company has reasonably performed well as compared to its competitors. The Company has sold 64.96 percent [FY2017: 79.34 percent] of its sugar production before the closure of this financial year, including

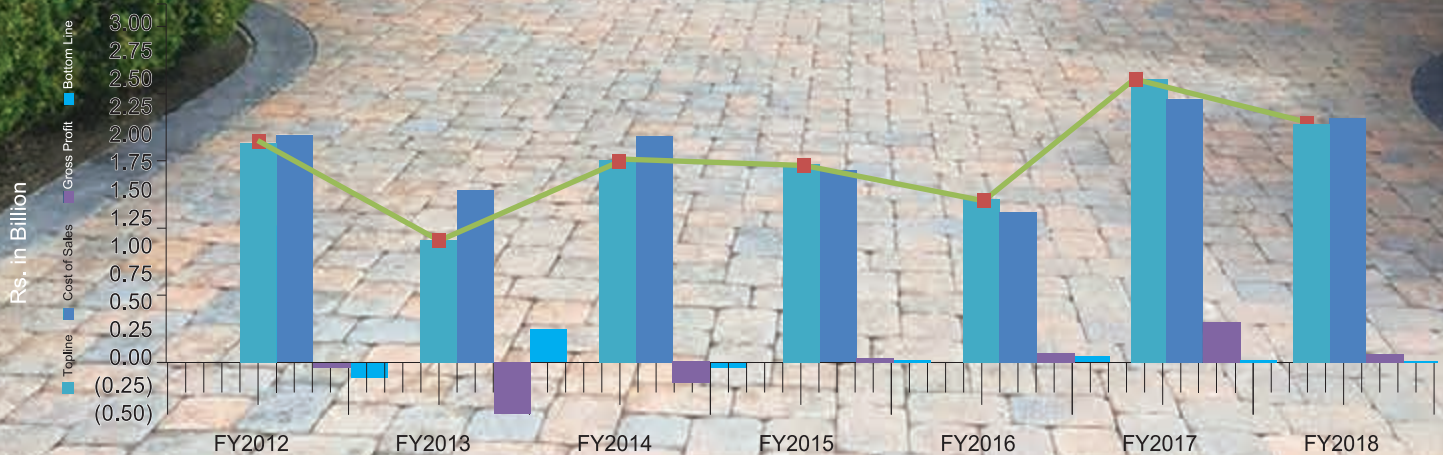


Operational Performance





Profitability Performance



export of 11.7 percent [FY2017: 7.22 percent] to international customers in CIS countries and Afghanistan. The Company has produced 21,835 tons of molasses [FY2017: 25,256 tons] at 6.93% YOY enhanced recovery rate of 4.94 percent [FY2017: 4.62 percent], contributing 5.85 percent in topline.

Financial Performance

The financial performance of your Company for the fiscal year 2017-18 compared to last year is presented as follow:

Description	FY2018	FY2017	YOY Change
Sales - Net	2,195,040	2,581,987	(14.99%)
Cost of Sales	2,149,334	2,281,868	(5.81%)
Gross Profit	45,706	300,119	(84.77%)
Selling and Distribution Expenses	11,264	9,035	24.68%
Administrative and General Expenses	127,021	107,249	18.44%
Operating Profit	(92,579)	183,835	(150.36%)
Other Operating Income	(266,608)	(5,098)	5,129%
Financial cost	138,061	124,442	10.94%
Profit Before Tax	35,967	64,492	(44.23%)
Taxation	30,851	32,636	(5.47%)
Profit After Tax	5,116	31,856	(83.94%)
Earning Per Share (Rs./Share)	0.22	2.76	(92.03%)

This year the Company had planned to carry-forward 35.04 percent of sugar stocks [FY2017: 20.66 percent] enabling the Company to avail the price advantage expected from export of five hundred thousand tons of sugar in first quarter of next financial year. This resulted in 12.73 percent dip in domestic sales YOY basis and overall 14.99 percent decrease in topline growth [FY2017: 23.17 percent increase]. Corresponding expenses have been abridged by optimum utilization of available resources resulting in 2.08 percent of gross profits [FY2017: 11.62 percent]. Total comprehensive income for the period is Rs. 37.772 million [FY2017: Rs. 62.899 million]. Financial performance has resulted in earning of Rs. 0.22 per share, as compared to EPS of Rs. 2.76, earned in last financial year. Market scenarios currently prevailing in the industry and adverse impact of government policies especially delay in export approvals are key factors contributing 83.94 percent decline in bottom line of the Company's financial performance. During the financial year, the Company has declared other income amounting to Rs. 266.49 million [FY2017: 5.1 million] mainly due to write-off liabilities towards customer and sponsor's support.

Future Prospects

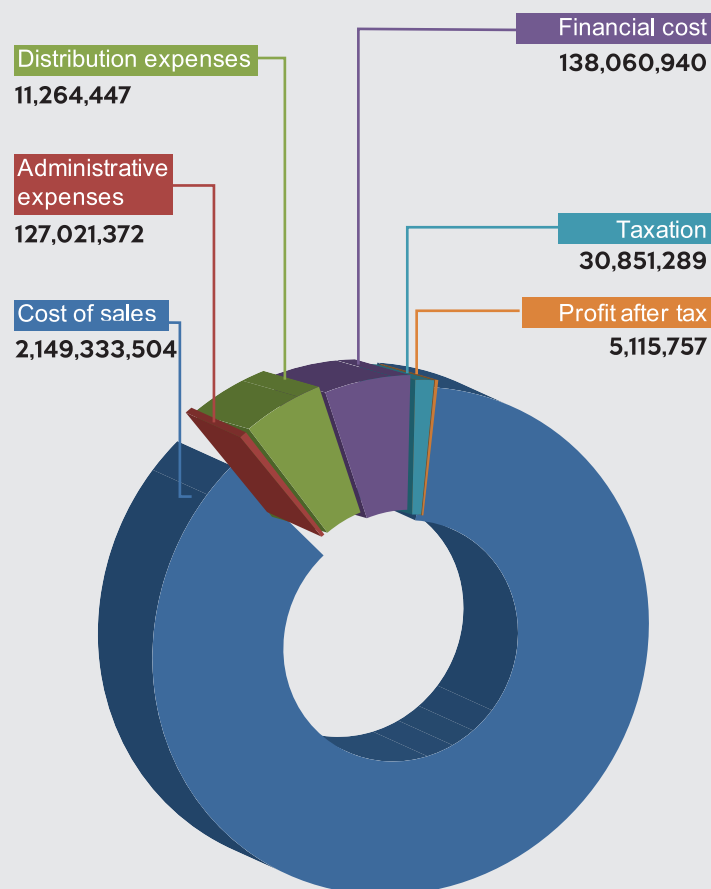
Multi streaming of revenue is now considered as a vital factor for sustainability of business. In lieu of achieving sustainable advantage over its competitors, the Company in line with its diversification strategy, has opted value addition in bagasse by installing captive power plant having capacity of 15MW and an exportable capacity of 8~10MW to FESCO with upfront determined tariff. The project is installed and is available for commercial production subject to signing of energy purchase agreement. The management is committed to commence the commercial operation within next financial year. The Company's free cashflow generation would continue to

support investment in envisaged projects in the medium term.

Dividend & Appropriation

Taking into account planned future investments, financial commitments and capital expenditure plans; the board proposed cash dividend of PKR 1/- per share for the financial year ended September 30, 2018 and

Rs. In Thousand



Financial Performance by September 30th 2018

balance amount is retained by the Company for future expansions.

This approach remains in line with our Company's commitment to consistently provide sustainable returns to all the shareholders. Movement in un-appropriated profit is as follows:

	Rs. in "000"
Net profit for the year	37,772
Un-appropriated profits of prior years	49,562
Net profit available for appropriation	87,334
Appropriations	
Proposed cash dividend @ 10%	28,440
Un-appropriated profit carried forward	58,894
Earnings per share	0.22

Holding Company

Cane Processing (Pvt.) Ltd., incorporated in Pakistan, is the holding company of Jauharabad Sugar Mills Limited with 63.64 percent shares.

Auditor's Report

The financial statements of the company have been audited without qualification by the auditor of the company and is authorized for issue to its shareholders.

Auditors

The present external auditors UHY Hassan Naeem & Co., Chartered Accountants, stands retire on conclusion of the annual general meeting and are eligible for reappointment. The Board on the recommendation of audit committee recommends reappointment of retiring auditors for the year ended September 30, 2019, for the approval of shareholders in the forthcoming Annual General Meeting.

Vision, Mission And Overall Corporate Strategy

The board of directors has carefully reviewed and approved the vision, mission and overall corporate strategy of your Company and believes that it comprehensively states the ideology with which Jauharabad Sugar Mill was incorporated. We ensure that our vision and mission set the direction for our overall corporate strategy and our future journey in everything we do at all levels. The entire organization is connected and driven by this purpose and it serves as the main decision making criterion in our day to day business.

Compliance with the Code of Corporate Governance

The management of the Company is committed to good corporate governance and compliance with its best practices. As required under Code of Corporate Governance, Directors of the company are pleased to state as follows:

Presentation of Financial Statements

The financial statements of the Company, prepared by

the management, present fairly its state of affairs, the result of operations, cash flow and changes in equity.

Books of Accounts

The Company has maintained proper books of accounts for the current year and the previous years as required by the applicable laws.

Accounting Policy

Appropriate accounting policy has been consistency applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

International Accounting Standards

International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of the financial statements to ensure the true and fair view of the Company's financial position.

Internal Control System

The system of internal control is sound in design and has been effectively implemented and is being monitored continuously. The process of review will continue by the audit committee to monitor the effective implementation and future improvement in controls.

Going Concern

There are no significant doubts upon the Company's ability to continue as a going concern.

Financial Highlights

Highlighting operational and financial analysis for the last seven years is included on page No.45

Statement on Value of Staff Retirement Funds

The fair value of investments of provident fund based on its audited accounts as of September 30, 2018 is Rs. 27.59 million [FY16: Rs. 25.13 million].

There has been no material departure from the Best Practices of Corporate Governance, as detailed in the Listing Regulations of Pakistan Stock Exchange wherever applicable to the Company for the year ended September 30, 2018.

Pattern of Shareholdings

Pattern of Shareholding of the Company in accordance with the Companies Ordinance, 1984 and Code of Corporate Governance as at September 30, 2018 is annexed.

Board of Directors Meetings

In order to ensure transparency, good governance and smooth functioning of the Company's operations, the Company has implemented regulatory framework in terms of qualification, experience and composition of the Board of Directors as well as awareness of the Board responsibilities. The Board comprises 7 directors

effectively representing shareholders' interests. All directors are qualified and experienced, which enables the Board to carry out effective and efficient decision making. During the financial year 2017-18, four meetings of the Board of Directors were held and the attendance by each director was as under;

Sr. #	Director	Category	Meetings Attended
1	Mr. Ghias-Ul-Hasan	Chief Executive/Executive Director	4/4
2	Mr. Saif-Ur-Rehman	Dependent/Non-Executive Director	2/4
3	Mr. Amjad Bashir Hussain	Independent/Non-Executive Director	3/4
4	Mr. Amjad Javed Aftab	Dependent/Non-Executive Director	2/4
5	Mr. Shahrukh Taimour	Dependent/Non-Executive Director	1/4
6	Mr. Farhan Ilyas	Dependent/Non-Executive Director	3/4
7	Mr. Muhammad Aamir Beg	Dependent/Non-Executive Director	4/4
8	Mr. Jamal Ahmed	Dependent/Non-Executive Director	3/4

Casual vacancy in the Board of Director during the year was duly filled in by the Company before expiry of 90 days period. The Directors who could not attend the Board Meeting and requested for leave were duly granted leave for absence from the meeting by the Board in accordance with the law.

The Board of Directors in compliance to the Code of Corporate Governance has established an Audit Committee. During the year, four meetings of audit committee were held as per requirements of Companies Act, 2017. All relevant matters were taken into consideration as required under the relevant act. Detail of meeting attended by each member is given as under:

Human Resource Committee

The board of director in compliance with applicable regulations has established HR Committee. During the year 2017-18, one meeting of HR committee was held for the approval of increment and bonus to the employees. The attendance by each member is as under.

Sr. Name	Status	No. of Meetings Attended
1 Mr. Amjad Bashir Hussain	Chairman	4/4
2 Mr. Muhammad Aamir Beg	Member	3/4
3 Mr. Saif-Ur-Rehman	Member	3/4

Qualification of CFO and Head of Internal Audit

The Chief Financial Officer and the Head of Internal Audit possess the requisite qualifications and experience as prescribed in the code of Corporate Governance

Insider Tradings

The board has developed the policy that no person shall indulge in insider trading as per listing regulation applicable in Pakistan. During the financial year none of the director, CEO, CFO, Head of internal audit and Company Secretary traded in the share of the Company.

Outstanding Statutory Dues

The outstanding statutory dues on the account of taxes,

duties and charges are disclosed on the face of balance sheet and in Note 15 to the financial statements. There is no overdue amount on account of taxes and duties.

Director Meeting Outside Pakistan

No meeting of the Company was held outside Pakistan during the current financial year.

Corporate Social Responsibility

Disclosure as required by the Companies (Corporate Social Responsibility) General Order, 2009 is annexed and form a part of this report on page # 45.

Related Party Transaction

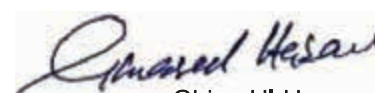
The Company has made detailed disclosures about related party transactions in its financial statements annexed with this annual report. Such disclosure is in line with the requirements of the 4th Schedule to the Companies Act, 2017 and applicable International Financial Reporting Standards. Moreover, the Company has also decided to place its related party transactions before the Annual General Meeting for obtaining shareholders' approval.

Acknowledgement

The Directors are grateful to the Company's shareholders, financial institutions and customers for their continued cooperation, support and patronage. The Directors acknowledge the relentless efforts and dedicated services, team work, loyalty and hard work of all the employees of the Company and hope their continued dedication shall further consolidate the Company and keep it abreast to face future developments and demands.

No material changes and commitment affecting the financial position of your company have occurred between the end of the financial year to which these financial statements relate and date of director's report.

On Behalf of the Board



Ghias-Ul-Hasan
Chief Executive

Lahore : December 28, 2018

Supply Chain Management

Supply chain management is the active management of supply chain activities to maximize customer value and to achieve a sustainable competitive advantage. Sugar Industry is one of major agro-processing sector. Delegation and competitiveness in agro-based industries require new forms of coordination between farmers and other stakeholders, to maximize sugar production with minimum overheads. The challenge of competitiveness of infield aggregating cane from thousands of growers for particular factory, increases the significance of supply chain management in agro-business. The mills economic zone consists of average small farm size. The Company maintains that the smaller farmer is a valuable part of the cane growers base in the region. This underlies the importance to incentivize them like sharing of agri tolls and technology. Extensive and regular surveys are conducted, from planting to harvesting, that indicate the coverage of healthy and varital cane across farms. The Company's Cane Department is focused to mitigate outcome of the factors affecting the cane supply in the region may include a) climate, b) lack of technical knowledge, c) production, d) political factor and e) recovery. The Company continuously aims at accumulate information that will enhance the design of efficient supply of products in organizations. Interactions between all the stream partners, availability of materials and through its process, the Company is ensuring a superior quality of Sugar under its brand name KOHINOOR, is presented through the following;

- **Sugarcane Supply Management:** In the region, cost of production, including harvesting, infield haulage, road transport, loss of throughput can add to costs at every link in the supply chain, the Company provides initiatives for reducing this cost and improving the efficiency of supply chain, like, regularly providing the latest updates of market and climatic changes as well as the best practices for improving sugarcane production to the farmers by conducting workshops and special training programme are also helping to improve the production of sugarcane.
- **Logistics Framework:** As sugarcane is the main raw material used for manufacturing of sugar so the Company in order to reduce transportation cost is maintaining a high level of coordination between farmers, harvest contractors, transport contractors and local administration to make sure the mill receives a steady stream of fresh cane. The Company has also developed an efficient transport fleet helpful to reduce the transportation cost to some extent.
- **Value Creation Framework:** After manufacturing and before distribution the sugar is stored in warehouses of the Company under proper care to maintain the inventory in good condition, enabling the Company to attract better pricing. Better Information Technology and application of quantitative tools and techniques are used for inventory management.



Quality Assurance Policy

Jauharabad Sugar Mills Limited is focused to produce high quality grade sugar by implementation of comprehensive integrated Quality and Food Safety Management System. Jauharabad Sugar Mills Limited, with the new sugarcane varieties being introduced by the Government Research Institutions, is committed to work tirelessly to change agronomical practices of the farmers in the Khushab region. The Company's Cane Research and Development Department, as per developed farmer's guidelines on harvesting practices to enhance cane yield and reduce cane loss, periodically conducts seminars, with the help of Government Research Institutions, fertilizer and pesticides companies, to educate farmers as how to adopt latest harvesting techniques including pit farming. In order to achieve sustainability of particular crop variety, by non-applying avoidable pesticides. The Company's Bio-Laboratory provides Trachogama Cards to the farmers to avert pest attack. On regular basis our Cane Team in the area of Quality Control and Assurance focuses on the quality of sugarcane during crop season, emphasis to reduce field to mills time after harvesting and assure testing of sugarcane against each arrival in our Online Cane Laboratory.

The Company is highly committed to consistently meet the sugar standard requirements and continual improvement of its quality management system to improve production, operational and organizational efficiencies. This commitment underlies the Company's quality policy, which is committed to meet the requirement and expectations of customers and stakeholders. Moreover, quality assurance monitors the entire operational activity through process parameters and product attributes, focused on stability studies, validations, handling customer complaint and investigating all deviations with the coordination of main laboratory, process and mill house. During the crushing season, monitoring and testing process of sugar, takes place according to the Good Laboratory Practices (GLP) guidelines aligned with high quality standards of product set by Pakistan Standard and Quality Control Authority (PSQCA).

The Company's quality management policies comprise of documented policies, flowchart processes, elaborated work instructions, periodic internal audit follow-up and associated quality records. Quality control policies, procedures, and potential assurance monitors whole process initiate from a field to market. Quality management practices lead to a significant improvement in financial performance, enhancing customer needs by providing quality products, continually upgrading the capability and above all ensuring safe working environment.





Conflict of Interest Policy

Jauharabad Sugar Mills Limited realizes the importance of conducting business with honesty, transparency and with good corporate governance. Therefore, the Company has hooked its responsibility and set up a Conflict of Interest Policy to restrict directors and employees from the Company matters where they have any interest, pecuniary or otherwise. It applies to all prospective and current employees of the Company, as well as independent contractors and persons acting on behalf of the Company. The directors of the Company strongly believe in the duty of confidentiality (locked insider information), duty of loyalty (putting board responsibilities above other outside interests) and fiduciary duties for financial and legal matters. The interest policy at Jauharabad Sugar Mills Limited restrict board members from participating in discussion, reporting, or voting on an issue in which he is by any way interested, except in case where his interest is solely being the director of the Company, the directors of the Company are bound not to trade in the shares of the Company, further they should report any trade in share by any of his dependent or associates concerns which come into his knowledge.



IT Governance Policy

Jauharabad Sugar Mills Limited is constantly focusing on the improvement of Information Technology System within organization. IT Governance process helps to align technology and system upgradation with the business requirements, smoothening the decision-making process used to define actions for achieving strategic goals of the Company. Effective implementation of integrated management information system has resulted in efficient handling of bulk data related to crushing seasons, identification of potential suppliers and areas. Currently System Analysis and Resource Planning (SARP) software especially designed for sugar sector industry has been implemented within the Company. IT governance policy of the Company is mainly charged of;

- Vision: This activity determines the overall governance structure for IT and creates decision-making power and accountability through Knowledge management system.
- Aligning: This activity will determine the suitability of the fit between overall governance for the Company and IT governance specifically.
- Identifying regulations and standards: Industry-specific regulatory requirements and standards play a critical role in gauging the exactness and rigor required for IT governance. These factors are being adhered and thus providing a competitive advantage to the Company in its area of operations.
- Creating policy: Getting right policy helps to drive performance that delivers results based on expected behaviors and appropriate resources used.



Insider Trading Policy

The Company has a stringent policy on insider trading and securities transactions. The policy paper which is circulated to all the employees of the Company from time to time prohibits all employees of the Company from making use of inside information for direct or indirect transactions in Company shares. No trading in Company shares is allowed during the closed periods. Trading is only allowed in the open period, preferably in the two weeks period following announcement of quarterly/half-yearly/annual results. Prior notification in writing is required to be given to Company Secretary before carrying out any transaction and once the transaction is executed, it is to be reported back to the Company Secretary within two days of execution of the transactions with relevant details of purchase/sale of shares. No opposite transaction is allowed within six months i.e. if anyone buys any shares of the Company, he or she is not allowed to sell those shares within six months to make a gain.



Safety of Records Policy

Jauharabad Sugar Mills Limited owing corporate requirements relating to day-to-day business operations and administrative controls, generate increasing volumes of records, is efficiently and effectively implementing the policy to create, manage, retain, safety and disposal of such records (including both paper and electronic), according to timeframe as required under the provision of section 220 of the Companies Act 2017. Without effective policy, protocols addressing aspects i) what records to keep; ii) where to keep records; iii) who should keep records and; iv) when to keep, records have potential to expose the Company to risks including penalties and legal repercussions. The Company has designed a comprehensive record management policy, having clear objectives of Governance Transparency, Data Protection, Regulatory Compliance and Cost Reduction, emphasize to;

- a) enable staff to perform consistently in full knowledge of processes, decisions and actions that inform and drive the business;
- b) provide freedom of information service throughout the Company to promote collegiality and knowledge sharing;
- c) ensure the availability of credible and authoritative evidence to protect the rights of the Company, its staff and anyone else affected by its activities;
- d) ensure the ownership of record by the Company, not by the individual or team;
- e) provide corporate memory so that lapse of time does not affect access to and availability of the corporate knowledge resource;
- f) demonstrate accountability by providing the evidence and information required for any possible internal or external audit; and
- g) ensure record will be held only as long as required and disposed off in accordance with the management policy

Whistle Blower Policy

Jauharabad Sugar Mills Limited, aligned with its core values specially honesty and integrity, expects all team members to maintain high standards in accordance with the Company's policies and standing operating procedures. In order to prevent the risk of things going wrong or unethical at any time, the Company is interested to have culture of openness and accountability, a comprehensive policy of whistleblowing is in-placed with following core objectives;

- Each director, employee and stakeholder is under obligation to report any violation or suspected violation of organization's code.
- Concerns are to be raised without any fear of reprisals even if they might turn out to be mistaken should be dealt fairly.
- Confidentiality of whistle blower with respect to subject matter to be submitted for accountability.
- Protection of the whistle blower from any adverse employment actions such as termination, compensation reduction or any sort of threat of physical harm.

The Company's whistle blowing policy encourages all the team members to report suspected wrongdoing, may include breach of the Company's policies and procedures, breach of legal requirement, general malpractice, gross misconduct, breach of audit regulations, unethical, immoral behavior or victimization. The policy not only provides guideline to raise such concerns but also ensures protected disclosures and confidentiality. Scope of policy is restricted to address the concerns in relation to money laundering, bribery, harassment, budget grievance or disciplinary proceeding.





Disaster Recovery Plan

Disaster recovery strategy ensures that every reasonable measure has been taken to identify and mitigate potential risk that exist within processing environment. Though the most successful disaster recovery strategy is one that will never be implemented; therefore, risk avoidance is a critical element in the disaster plan. Dynamic planning, communication and risk management, opted by the Company, allow it to handle the most critical aspect of the recovery plan smoothly

- Business continuity in the production of the Company
- Understanding from workers with positive neutrality regarding the shutdown process
- Protection of the Company brand image in the market
- Early warnings sent to the board/corporate office, when necessary
- Prepare crises management team to respond effectively in a crises situation
- Manage crises in an organize and effective manner
- Limit the magnitude of crises situation to the other area of operation
- Arrange training program for the personnel directly involved in the execution of recovery plan

The Company has adopted Disaster Recovery Plan for the continuity of infrastructure and application all possible resources when a disaster hit. In the situation of disaster, (natural or human induced) it is essential to judge the situation timely and correctly. If it is identified as disaster, the emergency is to be declared at the earliest possible. The shift In-charge, who is available in the unit all times, shall identify situation of the hazard or calamity and report immediately the same to the management. The emergency may be declared in entire unit or part of it, depending upon the situation/nature of disaster. Accordingly, shift in-charge shall also sound the alarm bell to be provided in each of the section. Under such situation, the shift in-charge or higher authority such as General Manager shall take charge of the situation. He shall initiate all such actions that are essential at each of the sub-unit; which would include

- Evacuation of all the personnel from affected part of mills who are not required for controlling the situation, or hazard
- Immediate grasping of gravity of the problem / hazard and issue or giving of instructions to the concerned teams as laid down to act in a manner required to control the situation
- In case of fire, the help of fire force should be immediately sought and put into action. Simultaneously, the workman trained in the firefighting procedures shall be called to extinguish the fire.
- Maintain all critical applications, equipment, and documents in backup.

Occupational Health and Safety Management

Jauharabad Sugar Mills Limited is committed to achieve excellence in occupational safety, health and environmental protection. Ensuring health and safety requires both the management and employees to be actively involved and committed to health and safety policy. Jauharabad Sugar Mills Limited encourages employees to have a better communication about safe practices with higher level administrators to better assimilate the safety, health and environmental policy of the Company. Due to this, positive impact has been registered by the Company in terms of number of incidents per machine-hours. Our goal in respect of safety, health and environment is to minimize all adverse environmental and health impact arising out of our operations and to conserve all kind of resources and adhere to all legal regulations.

The Company is continuously striving to minimize accidental risks associated with the industry by providing safety equipment, fire management tools and air emission monitoring. To make it more convenient for the low-level employees to understand, the Company through presentations ensures that everyone is well-aware of risks associated to machinery and usage of protection equipment. Apart from this, even vernacular language is recommended in order to have a better understanding of safety measures and signs. Management has taken all possible measures and methods to establish priorities and objectives for eliminating hazards and reducing risks factors.

Maintenance of health and safety standards at our mills and offices is our top priority. The Company is committed to actively manage health and safety risks associated with our business and is actively working towards improving our procedures to reduce, remove or control the risk of fire, accidents or injuries to employees and visitors. The Company strives to provide a safe and healthy workplace for its employees and to act responsibly towards the communities and environment, in which it operates. It realizes this through the commitment of its leadership, the dedication of its staff, and application of the highest professional standards of work. Management takes all possible measures to prevent unsafe activities by its hiring practices and through the implementation of effective management, human resources and operational policies.





Environmental Responsibility

To enhance environmental standards and continuously promoting a better and Green Environment within the factory as well in the nearby areas. The Company is arranging regular Tree Plantation at different locations within factory premises and nearby areas to provide a healthy environment to employees and other communities living in its surroundings. This activity will continue in the future and further trees will be planted to ensure healthy and green environment, in order to achieve scope of environmental policy;

- Ensure our products, operations and services comply with relevant environmental legislation and regulations.
- Maintain and continually improve our environmental management systems or more stringent requirements as dictated by specific markets or local regulations.
- Operate in a manner that is committed to continuous improvement in environmental sustainability through recycling, conservation of resources, prevention of pollution, product development and promotion of environmental responsibility amongst our employees.
- Responsibly managing use of hazardous materials in our operations, products and services and promote recycling or reuse of our products.
- Inform suppliers, including contractors, of our environmental expectations and require them to adopt environmental management practices aligned with these expectations.

The Company follows the standard for disposal of liquid effluents as per the Environmental Protection Agency (EPA) guidelines. The only hard form of waste extracted while purification of sugar called Mud which is environmental friendly and is used as a fertilizer in farms. The Company is also investing heavily on tree plantation to reduce the environmental impact to build greener and healthier surroundings.



Performance Management

The Company is committed to build strong corporate culture that is shaped by motivated team who demonstrate deep believe in Company's vision and values. Success of the Company undoubtedly lies in the tire-less efforts of its human resources. The Company has developed a performance review process, based on following objectives, in order to recognize employees' contributions and right compensation.

- To establish clarity in job description through employee recruitment plan to make efficient out from human resource.
- To give a sense of direction and challenge to the individual and their team through role clarity.
- To determine continuous critical analysis of objectives and performance standard of each job.
- To provide effective employee orientation and integrate with culture of organization.
- To ensure aligning of employee's personal goal with organizational goal to enhance productivity and profitability.
- To help different functions and departments to go beyond targets and benchmarks and take quantum jumps.
- To achieve targets and benchmarks, develop culture of cross-functional meetings.
- To build open communication culture through regular feedback.
- To create supportive and empowering corporate culture in the organization.
- To Identify talent for succession planning.
- To Identify employees with long term growth potential.
- To Identify employees performing below expectation and what inputs are required to improve their performance.
- To provide on-going training to improve low performers as needed.
- To ensure growth of employees for organizational perpetuity.
- To create total quality environment by enhancing the commitment of people in terms of productivity, quality, technology, structure and systems.
- To assure effective reward mechanism to boost employee performance, individual performance is not linked to group performance.



Human Resource Management

Human Resource is a vital asset of any organization in a knowledge-oriented economy. To achieve long term future-oriented objectives and performance excellence in all departments of organization from policy planning to creation of leadership. Sustainable human resource management aims for efficient recruiting process to arrange potential human resource which considers the individual employee skill enhancement and organization's competitiveness equal. Human Resource Management (HRM) is an integral part of our business strategy, The Company fosters leadership, individual accountability and teamwork. Success of the Company solely depends in the quality of its human resource as it is the most valuable ingredient that adds remarkable contributions towards growth. The Company being one of the major player in Pakistan's sugar sector has a wide range of professionals having skilled expertise in their field with affiliations in the prestigious local and foreign universities. The Company safeguards the right of its employees by providing health care, safe and secure environment and right compensation. The Company targets to achieve the following parameters through its HRM policy as:

- An individual goes through an excessive recruitment and selection process before being a part of the Company. Selecting the right person, with the right experience, at the right time, offering the right compensation.
- Developing Management philosophies and practice to promote and encourage motivation and retention of best employees.
- Skills enhancement workshops and seminars for the hard working and motivated employees are being conducted on regular basis to further strengthen the skills possessed by an individual being the part of our team.
- Always encourages the young, talented and recent graduates to join our company. A six-week paid internship is being offered to students which narrows the gap between theoretical studies and practical work.
- Annually, the Company conducts an event which rewards the employees who has made significant contribution to our company, to build a motivation among employee to bring further improvement and innovation in team work.
- Nurture a climate of open communication between management and employees.
- Disability has always been a source of concern when it comes to employment opportunities in our country. However, the Company has always kept a certain ratio for disable employees which keep a sustainable positive difference in the quality of life.
- Making all reasonable efforts to achieve a high-quality work life balance.
- Committed to create a friendly trained workforce that is not just aiming to fulfill organizational targets but individual goals too.
- Fostering the concept of team work and synergetic effort.

Corporate Social Responsibility

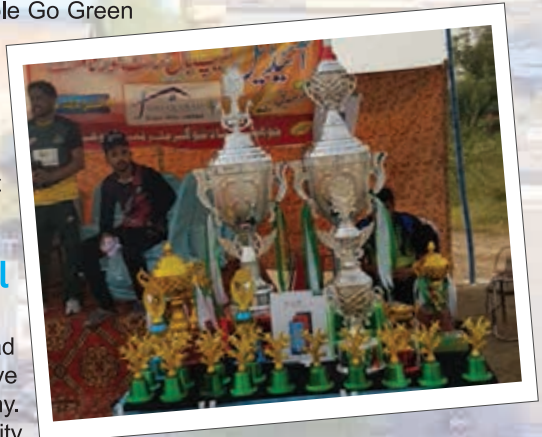
Corporate Benevolence

Corporate social responsibility is the foremost priority of the Company. JSML is continuously taking significant measures to make improvements in the Company's own operations, social and environmental value through making a framework of sustainable strategical implications. The framework sets foundations upon which all others rely in a profitable economy, compliance with all legal requirements, to be ethical, philanthropist and to serve as a good corporate citizen by understanding every individual need. These strategies identify all those dimensions in which Company is making efforts to add long-term values. The Company is constantly looking for ways to extend a helping hand towards the society and for this CSR Committee has been constituted, comprising three members chaired by General Manager Operations, scheduled to meet quarterly to review the progress of CSR program. This year four meetings were held and the committee is satisfied with the performance of "CSR Program-2018".



Betterment of Environment

It aims to reduce damaging effects on environment by industrial sector. Company is focusing to limit pollution and greenhouse gases to save planet and all living being in it. JSML is concerned to stand as a good corporate citizen and protect environment. For this reason, environmental awareness programs, waste management programs are created and performing environmental protective activities. At factory site, we ensure that no harmful gases are released into the environment. Further Company takes all precautionary measures to protect environment from pollution, like following the norms of contributing to environment JSML under "Sustainable Go Green Initiative 2018" of planting trees with public figures and senior environment government officer of Khushab region. During this year campaign, the Company remained successful in planting 10,000 trees to surroundings of leading roads to sugar mill and in local school, motivating next generation to protect this heaven.



Contribution to Social Community

It aims to develop community, to spread positivity in society, and ultimately leave a good impact towards Company. Engaged in creating community awareness programs, Internship programs for undergraduate students, charity work, sponsoring local events including health camps and sports activities. Along with that every member of JSML is committed to serve community individually and being a representative of the Company as well.



Sports Activities

This year Company conducted a major cricket tournament with Habib Metro Bank Limited, along with JSML maintains tennis court, football and cricket grounds where we regularly arrange tournaments to foster the healthy activities in which Company employees and people from surroundings participated with other local sports associations.

Fair Price Shop

JSML integrates its business operations with CSR by helping employees and their families in providing basic necessities at subsidized rates. To support this, cause a fair price shop is functional within the Colony with a financial support of the Company where employees can fulfill their needs even on credit basis to make their both ends meet.





Charity & Donations

JSML believes that Non-Profit organizations cannot bring change in society without funding neither a company can do it alone. But through Collaboration and philanthropic approach with the motto "Together We Can" a synergic impact can be bringing on society. JSML is majorly funding numerous organizations including hospitals and NGO's namely LABARD, JAZBA Welfare Foundation, LRBT, Gulab Devi Hospital, Mughal Eye Hospital and many others non-profit organizations. Furthermore, fulfilling the religious responsibilities of being a Muslim, company is funding towards the repair and maintenance of mosques nearby.

Labor Day Celebration

"Labor Day Movement" in Pakistan is dedicated to the Company employees and every year on Labor Day employees celebrate "Worker Welfare Labor Day" with full zeal and zest. From senior management to junior staff every one participates in formal ceremony and share opinions on rights and responsibilities of the labor. Along with that, lunch and entertainment arrangements are also arranged as get together. This also serves a platform for eliminating a communication gap between workers, union and senior management.

Ramadan Dastar Khuwan

JSML maintains his tradition of serving in the holy month of Ramadan by arranging a Dastar Khuwan for visitors, needy and Company employees.

Employment for Disabled Person

Dilemma of disability employment is a very serious concern in all over the world yet on the other hand disabled workforce participation is a motivation. JSML knows the sensitivity of this as a natural concern and has given equal opportunities to all employees. Company hired disabled employees as per Employment & Rehabilitation Ordinance 1981. Special facilities quota is there for disabled people and their families.



Growers' Financial and Technical Support

To achieve superior results by processing cane, Company through its research department has introduced latest farming techniques. Beside this JSML regularly helps growers in choosing right seeds and fertilizers, provide technical and financial assistance and helps them in improving growing operations reduced financial burdens. Growers' financial support policy is in place to support deserving farmers by providing them interest free loans in the form of cash or fertilizers, pesticides, cane seeds or any other allied product, without any collateral. This year the Company has distributed loans amounting to Rs.21.63 million, out of the its own cash flows, to raise the agronomical practices of the growers. The Company in recognition of this potential has ensured timely cane payments to the growers, within a week of closing the crushing season. Technical specialists are hired with advance and professional degrees in plant growing and farming which assured all the necessary questions of growers must be answered. JSML has also signed an MOU with Faisalabad Agricultural University to provide research study in our region.



Integrated Pest Management

IPM is a Bio-Science based approach with latest techniques to protect environment. JSML knowing the importance of cane field protection to produce quality variety cane, hired IPM professionals who manages pest to lower the risks associated with people on field. Experts train the local farmers and factory employees to help them in developing effective mechanism while processing cane. TRACHOMA cards have been given to local growers and farmers and train them some hygiene methods while working. These cards are being distributed to the growers at subsidized rates. Moreover, the Company is also working in close coordination with its farmer community and is regularly creating awareness through "PEST warning and control system".



Hajj & Umrah Sponsorship

JSML team apart from conducting business fulfilling their religious duties and our CSR sponsorship is tailored to ensure every year at least four employees to be sent for performing Hajj & Umrah through lucky draw criteria.

Community Investments

Providing quality education has always been the top most priority at Jauharabad Sugar Mills Limited as it is one of the most powerful and proven vehicles for sustainable development. In order to fulfill this goal, the Company is running a "Girls Higher Secondary School, Jauharabad" for employees' children. However, the talented students; scholarships are being provided to them. Apart from this, different school activities such as Prize Distribution Ceremony, Parents day, Naat & Speech competition and Farewell Party is being conducted occasionally to develop the intellectual abilities of students. As a result, the drop-out ratio has been reduced and a sharp increasing enrollment rate for students has been observed in comparison to last year.



to facilitate and motivate

Stakeholder's Influence

Company is engaged with full responsibility in creating opportunities for local suppliers and cooperating to develop an environment of performance-based relations with all customers, suppliers and stakeholders is created for operations efficiency.

Economic Concerns

To create balances between own-business operations, other businesses and environment practices, CSR plays as an interconnecting agent, which helps other businesses to generate profits and growth. Economic decisions are made which effect businesses and overall society at same time.

Ethical Training

Training of ethics in corporations is government requirement, helped CSR to spread and work more for society. The training helps employees more about corporate ethical activities and more likeliness of not indulging into bribes, violation of laws and any wrong business conduct which can cause business reputation damaged. This results in fare trading, pride in right actions, and more loyal employees.

Contribution to National Exchequer

During the year, the Company has contributed an amount of Rs. 297.029 million toward national exchequer in shape of taxes, duties, cess etc. The Company has also contributed through earning of valuable foreign exchange amounting to US\$ 1.682 million through export of refine sugar.





Cherish every sweet moment of life!

Corporate Calendar

Financial Year 2019

**First Quarter
Results**

Friday, January 25, 2019

**Second Quarter
Results**

Friday, May 24, 2019

**Third Quarter
Results**

Friday, July 26, 2019

**Annual
Results**

Monday, December 23, 2019

**51st Annual
General Meeting**

Tuesday, January 28, 2020



Financial Highlights

Gross Profit

FY2018: 2.08%
FY2017: 11.62%



Price Earning

FY2018: 204.55x
FY2017: 17.94x



Top Line

FY2018: Rs. 2.195 Billion
FY2017: Rs. 2.581 Billion



Return on Capital Employed

FY2018: 6.34%
FY2017: 7.28%



Acid-Test

FY2018: 0.48x
FY2017: 0.34x

Rs.

Dividend Payout

FY2018: 54.55%
FY2017: 36.23%



Bottom Line

FY2018: Rs. 5.115 Million
FY2017: Rs. 31.856 Million

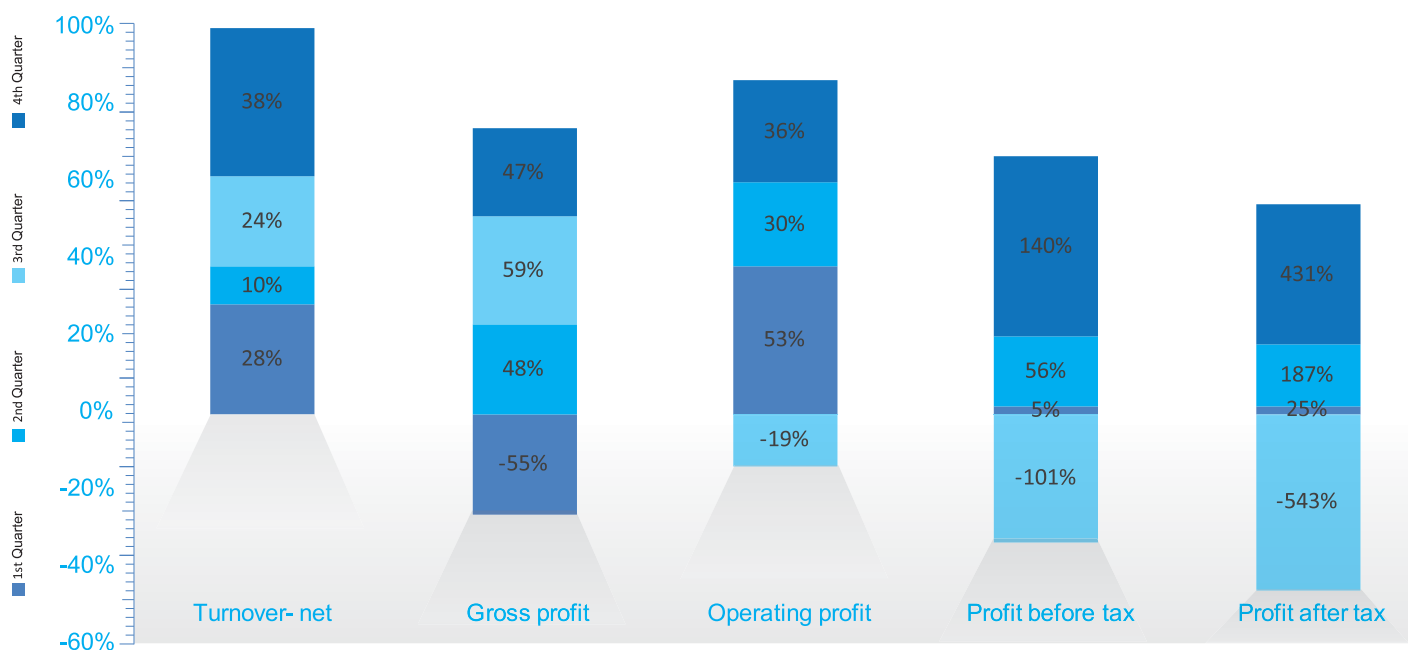
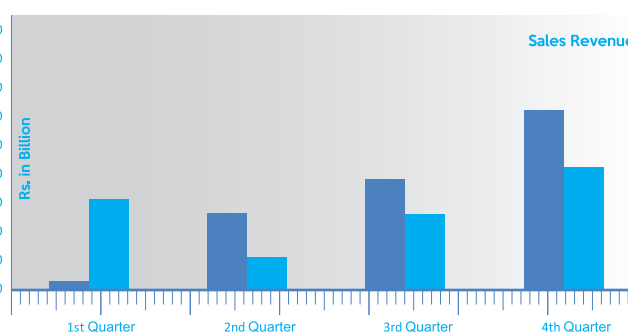
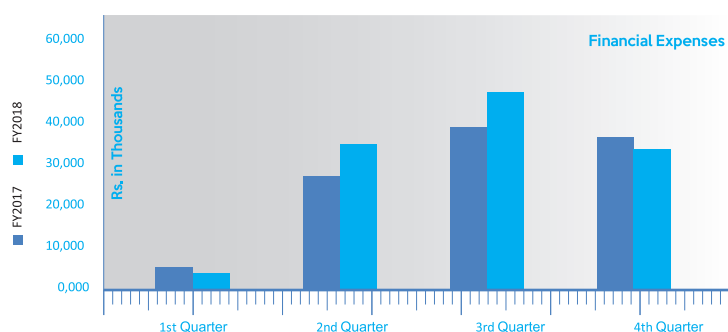


Annual Report 2018

Quarterly Performance Analysis

Rupees in '000'

Particulars	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Turnover - net	620,667	214,747	519,794	839,832	2,195,040
Cost of sales	(645,825)	(192,635)	(492,680)	(818,194)	(2,149,334)
Gross profit	(25,158)	22,112	27,114	21,638	45,706
Distribution cost	(661)	(3,869)	(1,353)	(5,381)	(11,264)
Administrative expenses	(22,840)	(45,707)	(8,469)	(50,005)	(127,021)
	(23,501)	(49,576)	(9,822)	(55,387)	(138,286)
Operating profit	(48,659)	(27,464)	17,292	(33,749)	(92,580)
Other income	55,452	87,864	646	122,646	266,608
Financial cost	(4,963)	(40,203)	(54,385)	(38,510)	(138,061)
Profit before tax	1,830	20,197	(36,447)	50,387	35,967
Taxation	(571)	(10,609)	8,677	(28,348)	(30,851)
Profit after tax	1,259	9,588	(27,770)	22,039	5,116



Annual Report 2018

Horizontal & Vertical Analysis of Balance Sheet

	FY2018		FY2017		FY2016		FY2015		FY2014		FY2013		FY2012	
	Rs. 000	%	Rs. 000	%	Rs. 000	%	Rs. 000	%	Rs. 000	%	Rs. 000	%	Rs. 000	%
Horizontal Analysis														
Equity & Liabilities														
Shareholders equity	2,744,983	5.83	2,593,829	(2.71)	2,666,012	34.75	1,978,479	1.16	1,955,853	76.29	1,109,433	6.78	1,038,961	90.06
Non-current liabilities	510,545	2.59	497,642	43.09	347,788	21.40	286,474	(16.00)	341,030	(71.25)	1,186,366	45.82	813,577	(3.65)
Current liabilities	1,433,905	72.89	829,394	286.91	214,364	(55.83)	485,282	61.78	299,957	(54.25)	655,619	(44.70)	1,185,667	7.78
	4,689,433	19.60	3,920,865	21.46	3,228,164	17.38	2,750,235	5.91	2,596,840	(12.01)	2,951,418	(2.86)	3,038,206	21.96
Assets														
Non-current assets	3,240,663	5.10	3,083,362	10.65	2,786,497	26.76	2,198,258	(4.08)	2,291,818	2.05	2,245,685	(8.39)	2,451,256	47.30
Current assets	1,448,770	72.99	837,502	89.62	441,667	(19.98)	551,977	80.96	305,022	(56.78)	705,734	20.24	586,950	(29.03)
	4,689,433	19.60	3,920,865	21.46	3,228,164	17.38	2,750,235	5.91	2,596,840	(12.01)	2,951,418	(2.86)	3,038,206	21.96
Vertical Analysis														
Equity & Liabilities														
Shareholders equity	2,744,983	58.54	2,593,829	66.15	2,666,012	82.59	1,978,479	71.94	1,955,853	75.32	1,109,433	37.59	1,038,961	34.20
Non-current liabilities	510,545	10.89	497,642	12.69	347,788	10.77	286,474	10.42	341,030	13.13	1,186,366	40.20	813,577	26.78
Current liabilities	1,433,905	30.58	829,394	21.15	214,364	6.64	485,282	17.65	299,957	11.55	655,619	22.21	1,185,667	39.03
	4,689,433	100.00	3,920,865	100.00	3,228,164	100.00	2,750,235	100.00	2,596,840	100.00	2,951,418	100.00	3,038,206	100.00
Assets														
Non-current assets	3,240,663	69.11	3,083,362	78.64	2,786,497	86.32	2,198,258	79.93	2,291,818	88.25	2,245,685	76.09	2,451,256	80.68
Current assets	1,448,770	30.89	837,502	21.36	441,667	13.68	551,977	20.07	305,022	11.75	705,734	23.91	586,950	19.32
	4,689,433	100.00	3,920,865	100.00	3,228,164	100.00	2,750,235	100.00	2,596,840	100.00	2,951,418	100.00	3,038,206	100.00

Horizontal & Vertical Analysis of Profit or Loss Account

	FY2018		FY2017		FY2016		FY2015		FY2014		FY2013		FY2012	
	Rs. 000	%	Rs. 000	%	Rs. 000	%	Rs. 000	%	Rs. 000	%	Rs. 000	%	Rs. 000	%
Horizontal Analysis														
Sales - net	2,195,040	(14.99)	2,581,987	23.27	2,094,651	43.95	1,455,105	(16.57)	1,744,056	52.48	1,143,758	(41.76)	1,963,708	19.67
Cost of sales	(2,149,334)	(5.81)	(2,281,868)	20.85	(1,888,218)	39.89	(1,349,775)	(28.96)	(1,900,129)	27.87	(1,485,981)	(27.87)	(2,060,072)	37.41
Gross profit	45,706	(84.77)	300,119	45.38	206,433	95.99	105,330	(167.49)	(156,073)	(54.39)	(342,222)	255.14	(96,364)	(168.00)
Selling and distribution expenses	(11,264)	24.68	(9,035)	23.90	(7,292)	(3.41)	(7,549)	(3.62)	(7,832)	124.20	(3,493)	(40.63)	(5,884)	50.01
Administrative and general expenses	(127,021)	18.44	(107,249)	30.09	(82,441)	20.78	(68,259)	6.19	(64,281)	(13.95)	(74,705)	(3.39)	(77,328)	4.32
Other operating income	266,608	5,129.64	5,098	(73.11)	18,962	(33.79)	28,640	(84.68)	186,966	(79.23)	900,351	(55,593.35)	(1,622)	(136.61)
Operating profit	174,028	(7.89)	188,933	61.90	116,701	100.65	58,162	(241.10)	(41,221)	(108.59)	479,930	(364.86)	(181,199)	(366.12)
Financial cost	(138,061)	10.94	(124,442)	132.05	(53,626)	5.13	(51,010)	41.84	(35,964)	(20.30)	(45,126)	(52.61)	(95,231)	(15.47)
Profit before tax	35,967	(44.23)	64,492	(21.39)	82,036	1,047.14	7,151	(109.27)	(77,185)	(117.75)	434,804	(257.29)	(276,430)	520.24
Taxation	(30,851)	(5.47)	(32,636)	(236.20)	23,961	(1,279.94)	(2,031)	(105.30)	38,293	(127.56)	(138,961)	(276.27)	78,832	(1,188.74)
Profit after tax	5,116	(83.94)	31,856	(69.95)	105,997	1,970.00	5,121	(113.17)	(38,891)	(113.15)	295,843	(249.72)	(197,597)	281.40

Vertical Analysis

Sales - net	2,195,040	100.00	2,581,987	100.00	2,094,651	100.00	1,455,105	100.00	1,744,056	100.00	1,143,758	100.00	1,963,708	100.00
Cost of sales	(2,149,334)	(97.92)	(2,281,868)	(88.38)	(1,888,218)	(90.14)	(1,349,775)	(92.76)	(1,900,129)	(108.95)	(1,485,981)	(129.92)	(2,060,072)	(104.91)
Gross profit	45,706	2.08	300,119	11.62	206,433	9.86	105,330	7.24	(156,073)	(8.95)	(342,222)	(29.92)	(96,364)	(4.91)
Selling and distribution expenses	(11,264)	(0.51)	(9,035)	(0.35)	(7,292)	(0.35)	(7,549)	(0.52)	(7,832)	(0.45)	(3,493)	(0.31)	(5,884)	(0.30)
Administrative and general expenses	(127,021)	(5.79)	(107,249)	(4.15)	(82,441)	(3.94)	(68,259)	(4.69)	(64,281)	(3.69)	(74,705)	(6.53)	(77,328)	(3.94)
Other operating income	266,608	12.15	5,098	0.20	18,962	0.91	28,640	1.97	186,966	10.72	900,351	78.72	(1,622)	(0.08)
Operating profit	174,028	7.93	188,933	7.32	116,701	5.57	58,162	4.00	(41,221)	(2.36)	479,930	41.96	(181,199)	(9.23)
Financial cost	(138,061)	(6.29)	(124,442)	(4.82)	(53,626)	(2.56)	(51,010)	(3.51)	(35,964)	(2.06)	(45,126)	(3.95)	(95,231)	(4.85)
Profit before tax	35,967	1.64	64,492	2.50	82,036	3.92	7,151	0.49	(77,185)	(4.43)	434,804	38.02	(276,430)	(14.08)
Taxation	(30,851)	(1.41)	(32,636)	(1.26)	23,961	1.14	(2,031)	(0.14)	38,293	2.20	(138,961)	(12.15)	78,832	4.01
Profit after tax	5,116	0.23	31,856	1.23	105,997	5.06	5,121	0.35	(38,891)	(2.23)	295,843	25.87	(197,597)	(10.06)

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Seven Years at a Glance

Financial Data

Balance Sheet

	FY2018	FY2017	FY2016	FY2015	FY2014	FY2013	FY2012
Non current assets	3,240,663	3,083,362	2,786,497	2,198,258	2,291,818	2,245,685	2,451,256
Current assets	1,448,770	837,502	441,667	551,977	305,022	705,734	586,950
Current liabilities	1,433,905	829,394	214,364	485,282	299,957	655,619	1,185,667
Non current liabilities	510,545	497,642	347,788	286,474	341,030	1,186,366	813,577
Shareholders equity	2,744,983	2,593,829	2,666,012	1,978,479	1,955,853	1,109,433	1,038,961

Profit & Loss Account

Sales - net	2,195,040	2,581,987	2,096,363	1,455,105	1,744,056	1,143,758	1,963,708
Gross profit	45,706	300,119	208,145	105,330	(156,073)	(342,222)	(96,364)
EBITDA	282,354	292,330	224,214	120,231	18,802	541,440	(154,502)
EBIT	174,028	188,933	135,662	58,162	(41,221)	479,930	(181,199)
Profit before tax	35,967	64,492	82,036	7,151	(77,185)	434,804	(276,430)
Profit after tax	5,116	31,856	105,997	5,121	(38,891)	295,843	(197,597)

Cash Flows

Cash flows from operations	35,967	64,492	82,036	7,151	(77,185)	434,804	(276,430)
Operating activities	(781,407)	(113,983)	41,991	(72,505)	(77,678)	(562,892)	297,633
Investing activities	(244,664)	(396,068)	(106,439)	(92,145)	(61,285)	88,209	(13,170)
Financing activities	1,045,478	517,625	49,723	191,568	141,406	473,964	(283,763)
Cash and cash equivalents at the beginning of the year	27,113	19,538	34,263	7,346	4,902	5,621	4,921
Cash and cash equivalents at the end of the year	46,519	27,113	19,538	34,263	7,346	4,902	5,621

Operating Data

		FY2018	FY2017	FY2016	FY2015	FY2014	FY2013	FY2012
Operating days	Days	131	130	95	93	95	97	99
Cane crushed	Tons	441,646	546,857	340,519	252,995	281,997	321,022	427,690
Sugar produced	Tons	42,846	53,972	33,205	24,492	25,975	26,420	35,646
Sugar recovery	%age	9.70	9.87	9.75	9.68	9.22	8.23	8.33
Molasses produced	Tons	21,835	25,256	15,990	11,292	12,915	15,048	21,271
Molasses recovery	%age	4.94	4.62	4.70	4.46	4.58	4.69	4.97
Bagasse produced	Tons	133,187	166,594	102,158	76,075	87,165	99,966	122,747
V.F. Cake produced	Tons	13,249	16,406	10,215	7,590	8,460	9,631	12,831

Rs. In Thousands

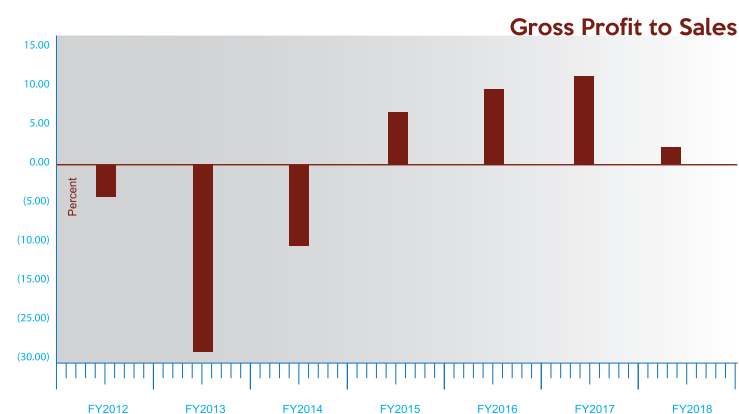
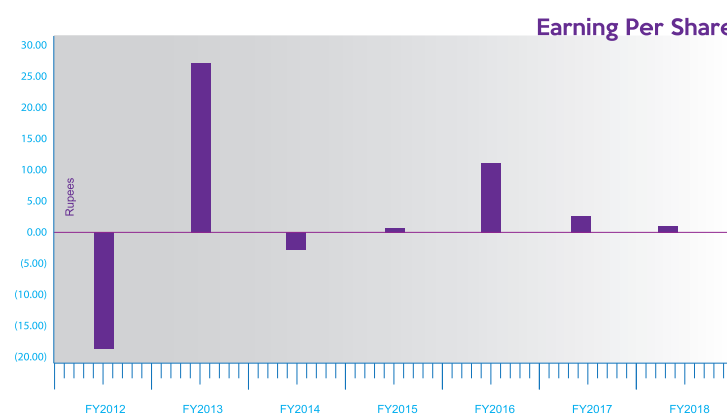
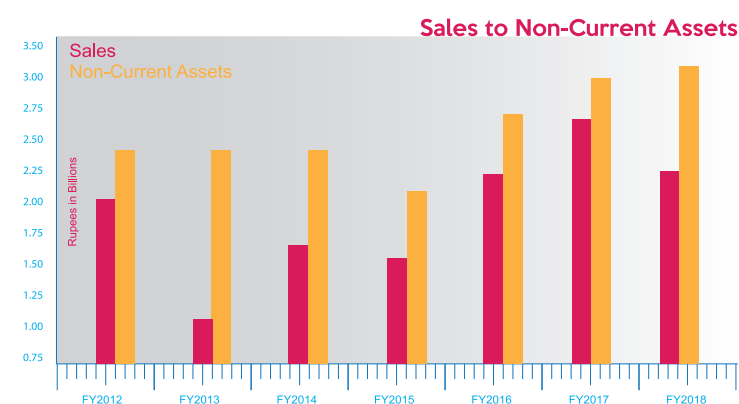
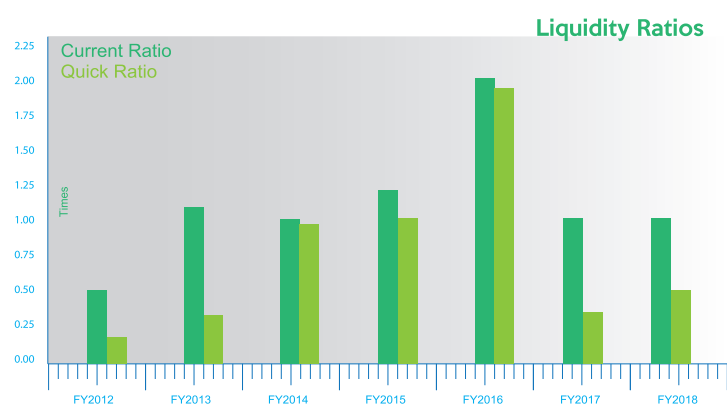
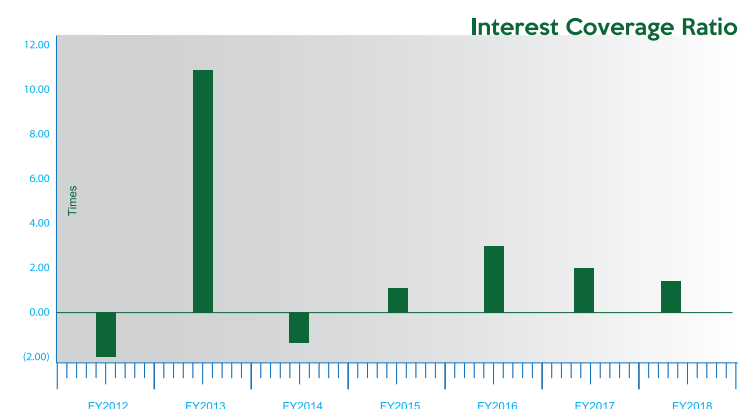
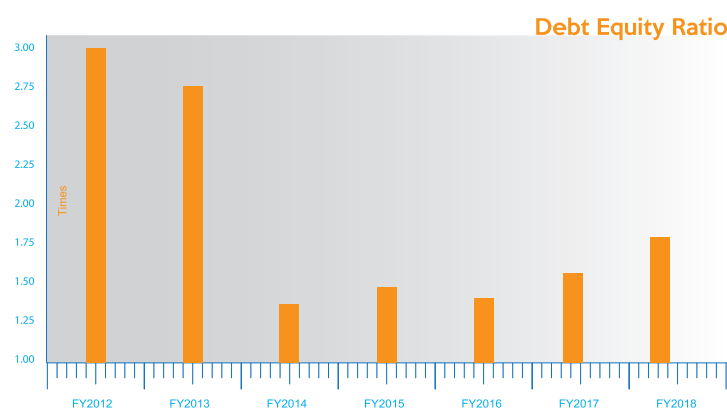
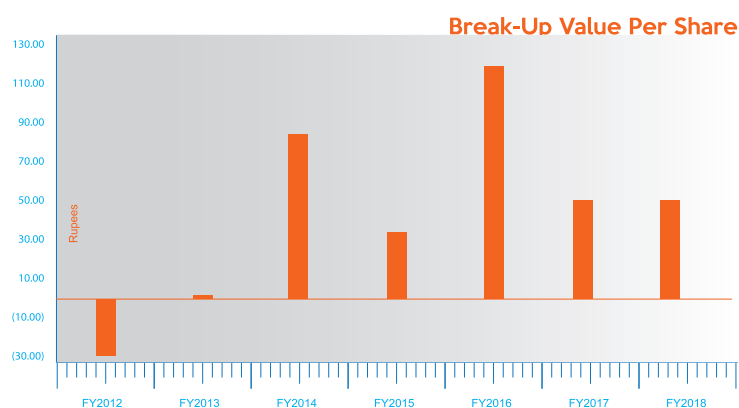
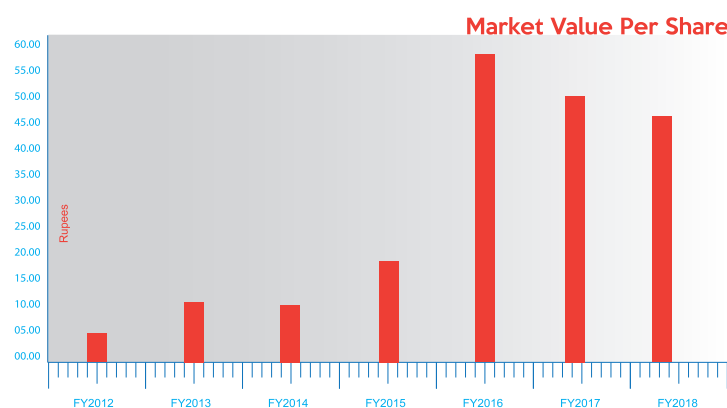
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Seven Years at a Glance

Financial Ratios	FY2018	FY2017	FY2016	FY2015	FY2014	FY2013	FY2012
Profitability Ratios							
Gross profit to sales	2.08%	11.62%	9.93%	7.24%	-8.95%	-29.92%	-4.91%
Net profit after tax to sales	0.23%	1.23%	5.06%	0.35%	-2.23%	25.87%	-10.06%
EBITDA to sales	12.86%	11.32%	10.70%	8.26%	1.08%	47.34%	-7.87%
Return on equity	0.19%	1.23%	3.98%	0.26%	-1.99%	26.67%	-19.02%
Return on capital employed	6.34%	7.28%	5.09%	2.94%	-2.11%	43.26%	-17.44%
Liquidity Ratios							
Current ratio	1.01	1.01	2.06	1.14	1.02	1.08	0.50
Quick ratio	0.48	0.34	1.92	1.02	0.88	0.41	0.23
Cash to current liabilities	3.24%	3.27%	9.11%	7.06%	2.45%	0.75%	0.47%
Cash flow from operations to sales	1.64%	2.50%	3.91%	0.49%	-4.43%	38.02%	-14.08%
Activity Ratios							
Inventory turnover	3.28	7.78	42.19	27.06	7.93	3.93	4.61
No. of days in inventory	111.22	46.93	8.65	13.49	46.04	92.79	79.22
Debtor turnover	13.36	3,779.39	35.98	16.13	54.54	100.05	165.39
No. of days in receivables	27.33	0.10	10.14	22.63	6.69	3.65	2.21
Creditor turnover	7.17	7.69	8.16	5.14	4.82	2.50	4.10
No. of days in payables	50.94	47.48	44.70	70.98	75.73	145.72	88.98
Operating cycle	87.61	(0.45)	(25.91)	(34.86)	(22.99)	(49.29)	(7.55)
Total assets turnover	0.51	0.72	0.70	0.54	0.63	0.38	0.71
Fixed assets turnover	0.69	0.88	0.84	0.65	0.77	0.49	0.95
Investment Valuation Ratios							
Earnings per share	0.22	2.76	9.72	0.47	(3.56)	27.12	(18.11)
Price earning ratio	204.55	17.94	5.76	36.22	(2.84)	0.38	(0.29)
Dividend yield	2.22%	2.02%	1.79%	-	-	-	-
Dividend payout ratio	454.55%	36.23%	10.29%	-	-	-	-
Dividend cover ratio	0.18	1.29	9.72	-	-	-	-
Cash dividend per share	10.00%	10.00%	10.00%	-	-	-	-
Market value per share	45.00	49.51	56.00	17.00	10.13	10.25	5.22
Break-up value per share	49.61	49.85	117.53	32.18	81.43	1.93	(27.43)
Capital Structure Ratios							
Debt to equity ratio	1.71	1.51	1.21	1.39	1.33	2.66	2.92
Interest coverage ratio	1.26	1.52	2.53	1.14	(1.15)	10.64	(1.90)

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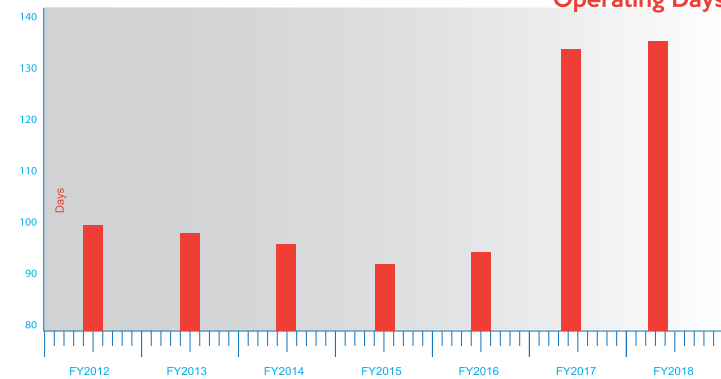
Graphical Representation - Financial



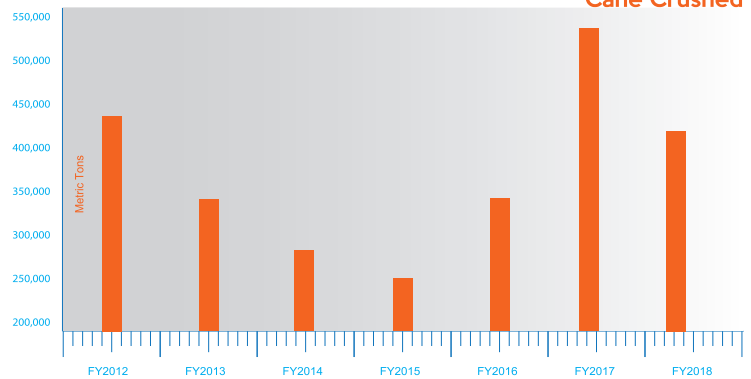
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Graphical Representation - Operational

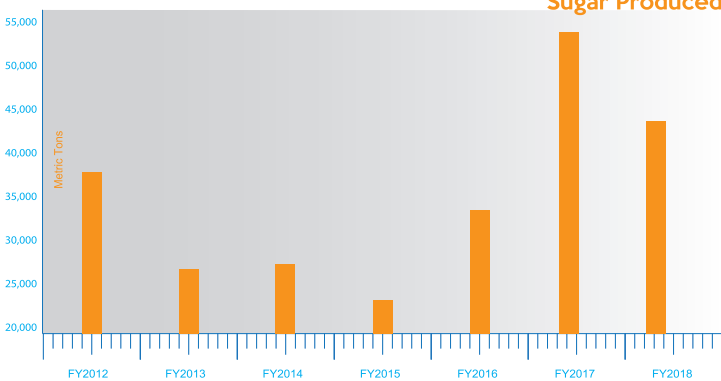
Operating Days



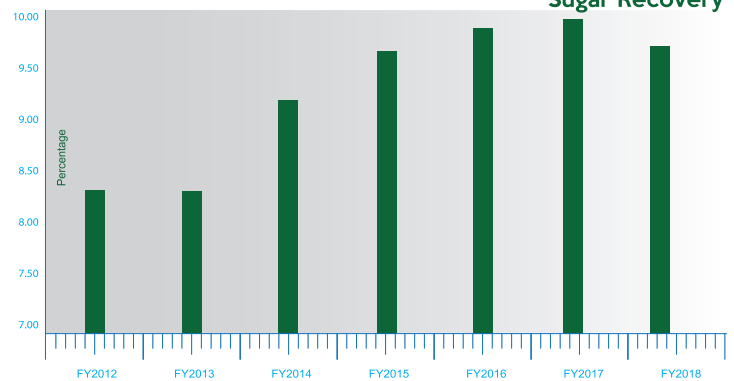
Cane Crushed



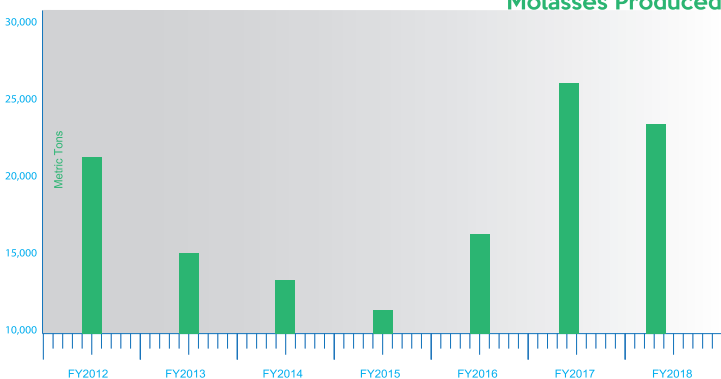
Sugar Produced



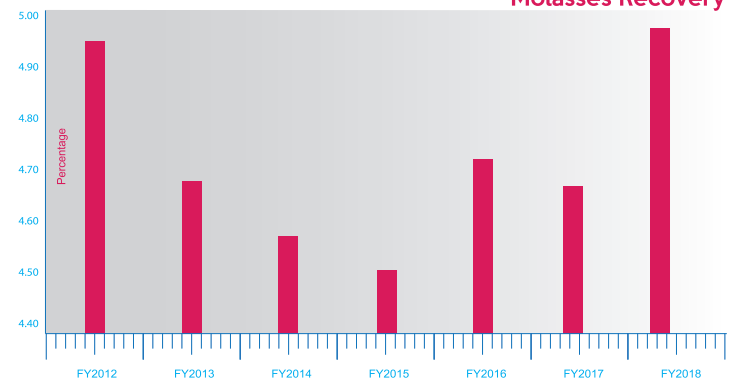
Sugar Recovery



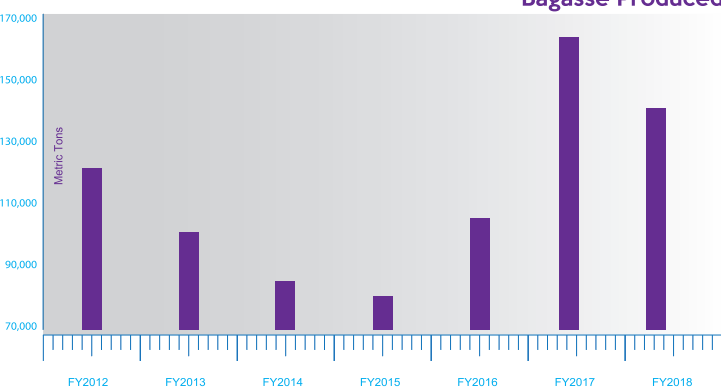
Molasses Produced



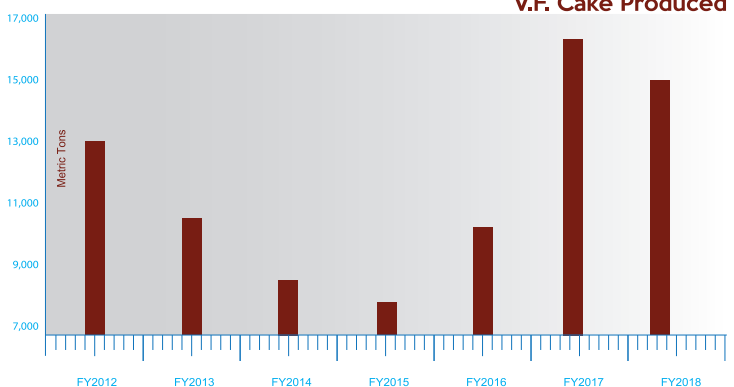
Molasses Recovery



Bagasse Produced



V.F. Cake Produced



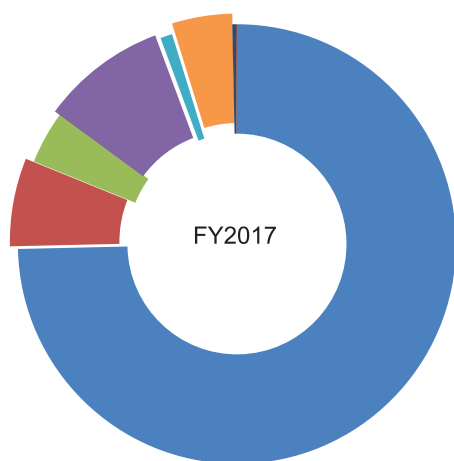
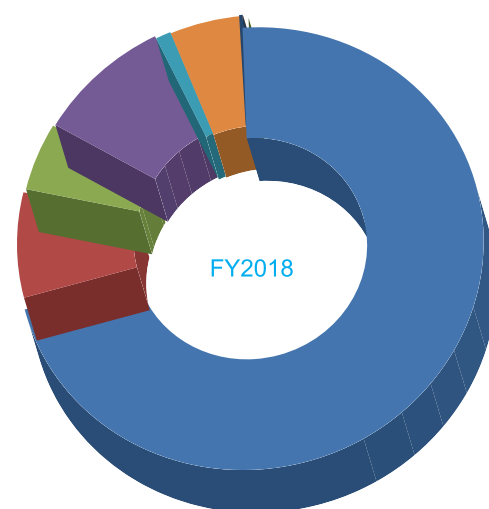
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Statement of Value Addition and Distribution of Wealth

	FY2018		FY2017	
	Rs. in '000'	%	Rs. in '000'	%
Wealth Generated				
Gross sales to customers	2,446,847	90.2%	2,841,787	99.8%
Add: Other income and finance income	266,608	9.8%	5,098	0.2%
Total value added	2,713,454	100.0%	2,846,885	100.0%

Distribution of Wealth

	Rs. in '000'	%
Cost of sales (excluding employees' remuneration)	1,938,750	71.6%
Salaries paid to employees	207,234	7.7%
Marketing, selling and administrative expenses	132,328	4.9%
Government as levies	251,807	9.3%
Shareholder as dividends	28,440	1.1%
Finance cost	137,987	5.1%
Workers' welfare	6,642	0.2%
Charity and donation	2,665	0.1%
Providers of long term finance as financial charges	74	0.0%
	2,705,928	100.0%
Retained within the business	7,527	



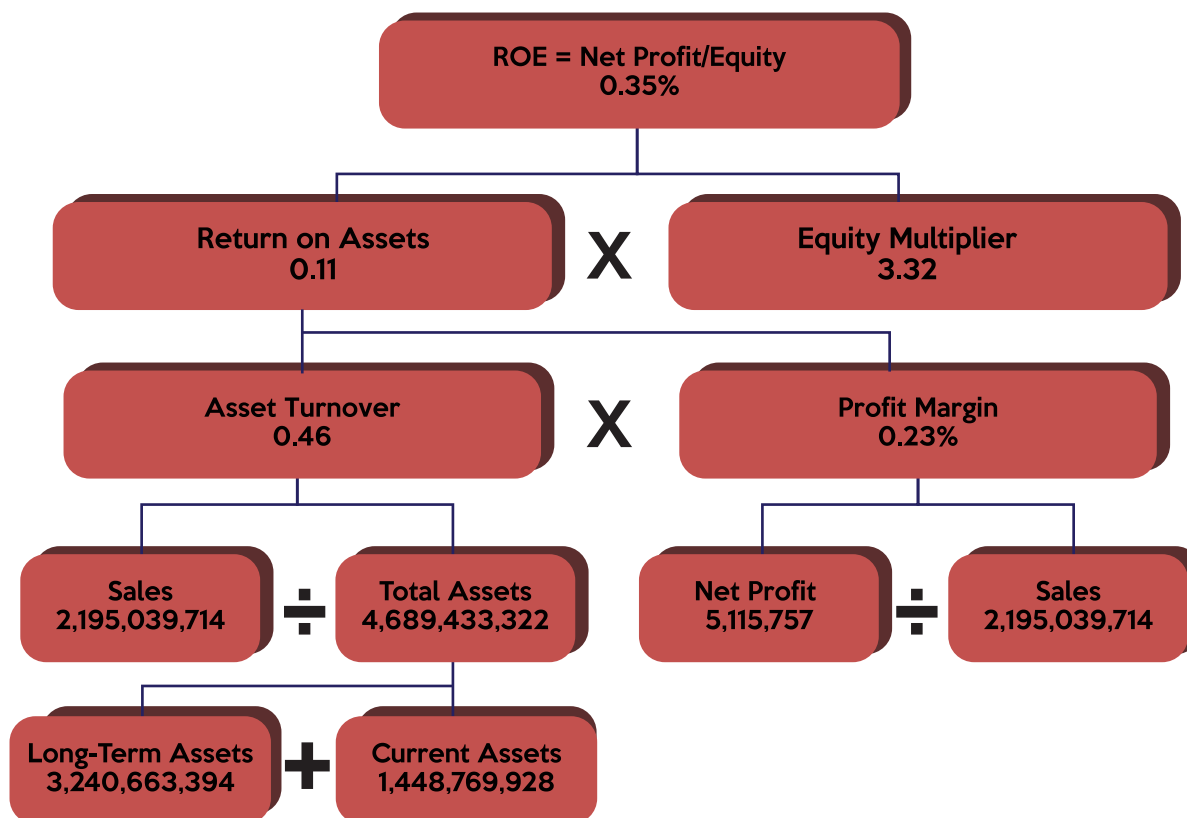
Distribution of Wealth

	Rs. in '000'	%
Cost of sales (excluding employees' remuneration)	2,095,169	74.6%
Salaries paid to employees	182,829	6.5%
Marketing, selling and administrative expenses	110,702	3.9%
Government as levies	259,799	9.3%
Shareholder as dividends	24,731	0.9%
Finance cost	124,320	4.4%
Workers' welfare	7,773	0.3%
Charity and donation	1,679	0.1%
Providers of long term finance as financial charges	121	0.0%
	2,807,124	100.0%
Retained within the business	39,761	

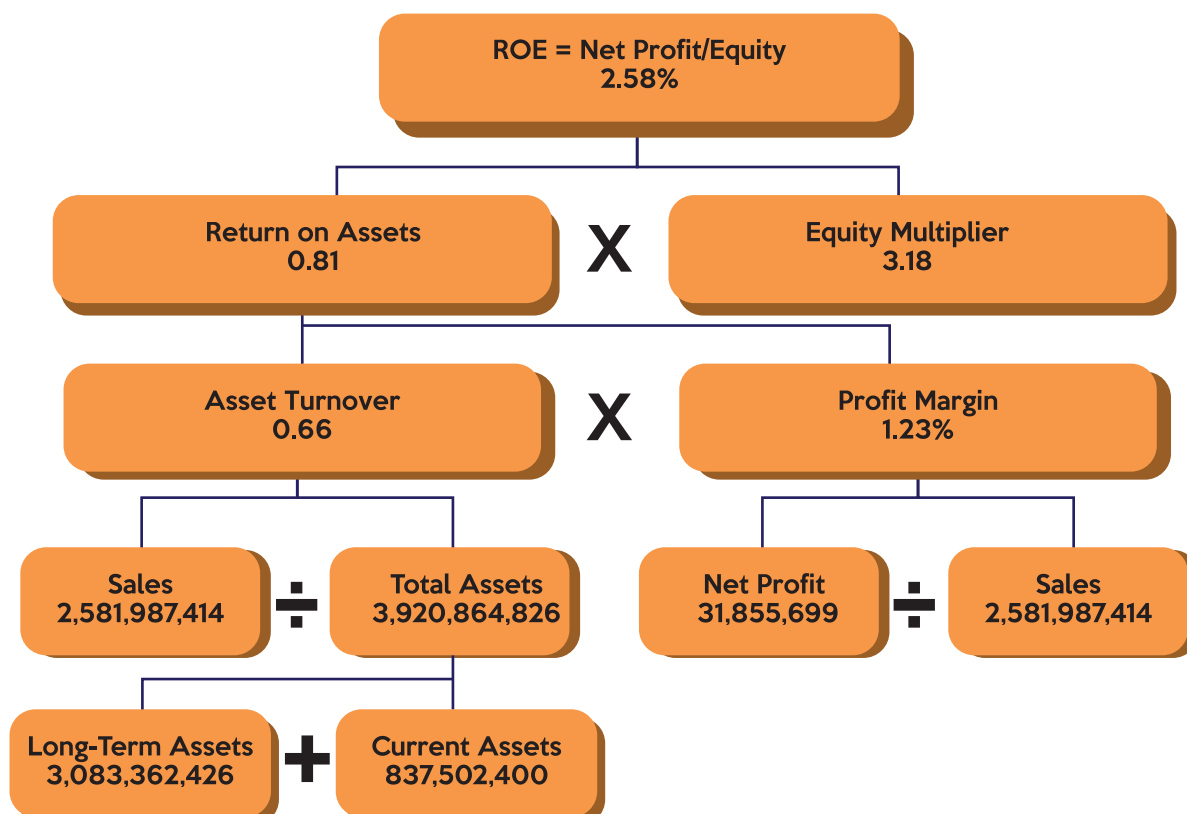
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DuPont Analysis

FY2018



FY2017



Share Price Sensitivity Analysis

During this financial year the Company remained successful to post net profit amounting to Rs. 5,115,757 (FY2017: Rs. 31,855,699) and to enhance Price Earning to 204.55% (FY2017: 17.94%) with EPS at Rs. 0.22 (FY2017: Rs. 2.76). This year, keeping the impact of industry's dynamics, total volume of 941,000 (FY2017: 960,500) number of the Company's shares were transacted on PSX with price variation magnitude of 48.79% (FY2017: 103.5%), between recorded lowest price at Rs. 38.31 (Dated: April 6, 2018) and highest price at Rs. 57.00 (Dated: December 6, 2017). Factors that contribute to the performance of the Company which in turn reinforce the investor's confidence and interest in the Company include:

Cane Support Price

Sugarcane support price, under the mandate of the Laws of State, is prerogative right with the provincial governments. Any change to the support price, without consulting or securing risks to all stakeholders, disparity in inter-provincial support price of the crop, is directly attributable to the Company's performance.

Law and Order Situation

Company's performance is directly influenced by unfortunate prevailing law and order situation in the Country. Political un-stability, transportation strikes, sit-in protests and hindrance in supply chain negatively affect the Company's operations. These factors can also led down the Company financial performance.

Regulations and Government Policies

Share price of the Company is also sensitive to the changes in policies by the government or by any regulatory authorities, positively or negatively, depending on whether the policy is in favor of or against the industry. Overall performance of the Country's economy under local or global challenges will affect PSX index and ultimately to the share price.

Plant Operations

Smooth and un-interpreted operation of Mills lead to effective capacity utilization by achieving higher volumes of production with minimum wastage of resources. Idle resources may cause inefficiency in operations and enhance the cost of product, adversely affecting the Company's performance.

Variation in Variable Cost

The Company has invested to improve varietal mix of sugarcane in its area of operations, in order have better recovery eventually lowering the cost of production and by rationing variable costs associates to production variations in these costs will negatively affect the gross margins and will resultantly fall in the profitability and EPS of the Company.

Goodwill

The market share price can also vary with the investor sentiments towards the Company which changes very quickly in response to the news and events and also because of investors' following of the general market trend.



Risk and Opportunities Report

The Board of Directors of the Company is principally committed to identify and to mitigate all such business risks, well in time by utilizing optimum potential effort. Sugar Industry is carrying significant risk factors that may materially affect the Company's operations, earnings, cash flows and overall performance. Hence the Management strives to take all the measures necessary to mitigate and manage the risks while at the same time avail all the opportunities for growth as and when they occur. This principle keeps the Company within its risk appetite and helps to achieve its corporate objectives.

Risks

As with sugar industry, the Company is susceptible to various risks. However, through comprehensive planning and an acute business understanding of the management, the Company continues to identify and mitigate risks. The Company maintains an established control framework comprising clear structures, authority limits and accountabilities, well implemented policies and procedures and budgeting for review processes. Moreover, the Audit Committee is responsible for Internal Controls in the Company. Following are the major risks which may affect our business operations and mitigating strategies for controlling these risks:

- Low productivity/recovery from sugarcane in the area and replacement of sugarcane with other crops and orchards.
- Low crushing capacity of the Company ultimately effecting economies of scale and competitiveness of product.
- Uncertain security situation at places where the Company operates or holds working interests can adversely affect the Company's operations.
- Natural disasters and extreme weather conditions such as rains and floods witnessed recently not only seriously impact the ongoing operations, these also threaten the safety and security of personnel, equipment and installations.
- Any delay default in settlement of Company's dues by its customers can negatively impact the Company's liquidity situation.
- Political uncertainty and impact of policies changes by the government of Pakistan or any other controlling authorities.
- Risk of increase in the cost of borrowing may limit the avenues for availability of sufficient working capital.

Opportunities

The Board of Directors of the Company always focuses to capitalize management's experience and to strategize operations of the Company in line with the Company's stated vision. It also concentrates to utilize existing and potential opportunities confronted by the Company. This has resulted in the decision of expanding the operations of the Company through installation of power project.

Unlocking and exploiting operational opportunities is an important aspect of the management's entrepreneurial activities. The Company is committed to use existing products and new solutions in order to systematically enhance bottom line growth and strengthen our position in local and international markets. Investing in new projects and increasing the productivity of existing ones are key elements for future organic growth. In the year under review, we strengthened the basis for further growth in the coming years by making selective investment in power business. Following are major opportunities available with the Company that may support in achievement of the Company's stated vision.

- Availability of ample irrigated area in the Khushab District to promote sugarcane crop, providing opportunity to the Company, the only sugar mills in the District, to propagate only those varieties having higher recovery potential.
- The Company is focused to continuously improve skills of the management team through dedicated courses and trainings
- The Company is having low gearing ratio. Hence, retention power of the Company has increased many folds, with the support of financial institutions and now the Company can hold sugar to reap price variation benefits during off-season.
- As sugar industry as now become net exporter, continuous efforts are being made to increase contribution margin of sugar and allied products by exploring new market horizons both domestically and through exports.
- Aligned with corporate strategy, the Company has invested in power project to lower its reliance on single product.

Pattern of Shareholding

As on September 30, 2018

1.1 Name of the Company Jauharabad Sugar Mills Limited

2.1 Pattern of Holding of the Shares Held by the Shareholders as at 30-Sep-18

2.2	No. of Shareholders	From	To	Total Shares Held
	633	1	100	15,155
	230	101	500	51,350
	82	501	1,000	53,405
	115	1,001	5,000	252,600
	19	5,001	10,000	129,466
	6	10,001	15,000	67,615
	6	15,001	20,000	104,080
	1	20,001	25,000	20,777
	2	25,001	30,000	55,126
	1	30,001	35,000	30,500
	1	45,001	50,000	46,693
	1	70,001	75,000	71,147
	1	75,001	80,000	79,691
	2	80,001	85,000	163,738
	1	115,001	120,000	118,496
	1	190,001	195,000	192,189
	1	235,001	240,000	236,346
	1	295,001	300,000	295,143
	1	480,001	485,000	481,750
	1	495,001	500,000	495,736
	1	510,001	515,000	513,330
	2	540,001	545,000	1,082,730
	1	855,001	860,000	857,152
	1	1,335,001	1,340,000	1,339,631
	1	1,340,001	1,345,000	1,342,973
	1	2,360,001	2,365,000	2,363,475
	1	17,980,001	17,985,000	17,980,084
	1114			28,440,378

2.3	Categories of Shareholders	Shares Held	Percentage
2.3.1	Directors, Chief Executive Officers, and their Spouse and Minor Children	15,796	0.0555%
2.3.2	Associated Companies, Undertakings and Related Parties (Parent Company)	18,098,580	63.6369%
2.3.3	NIT and ICP	862,574	3.0329%
2.3.4	Banks Development Financial Institutions, Non Banking Financial Institutions	3,359	0.0118%
2.3.5	Insurance Companies	197,399	0.6941%
2.3.6	Modarabas and Mutual Funds	Nil	Nil
2.3.7	Shareholders Holding 10% or More	18,098,580	63.6369%
2.3.8	General Public		
	a. Local	9,138,934	32.1337%
	b. Foreign	575	0.0020%
2.3.9	Others (to be specified)		
	a. Investment Companies	2,037	0.0072%
	b. Joint Stock Companies	15,512	0.0545%
	c. Pension Funds	82,883	0.2914%
	d. Government Holding	9,338	0.0328%
	e. Others	13,391	0.0471%

Categories of Shareholding

Required Under Code of Corporate Governance (CCG)

As on September 30, 2018

Sr. No.	Name	No. of Shares Held	Percentage
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Associated Companies, Undertakings and Related Parties (Name Wise Detail):

1	Cane Processing (Pvt.) Limited	18,098,580	63.6369%
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Mutual Funds (Name Wise Detail):		Nil	Nil
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Directors and their Spouse and Minor Children (Name Wise Detail):

1	Mr. Amjad Javed Aftab	3,147	0.0111%
2	Mr. Ghias-Ul-Hasan	6,325	0.0222%
3	Mr. Amjad Bashir Hussain	3,162	0.0111%
4	Mr. Farhan Ilyas (CPL Nominee)	3,162	0.0111%
5	Mr. Jamal Ahmad (CPL Nominee)	Nil	Nil
6	Mr. Saif-Ur-Rehman (CPL Nominee)	Nil	Nil
7	Mr. Muhammad Aamir Beg (CPL Nominee)	Nil	Nil

Executives:		495,736	1.7431%
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Public Sector Companies & Corporations:		Nil	Nil
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Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:		283,641	0.9973%
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Shareholders Holding Five Percent or More Voting Interest in the Listed Company (Name Wise Detail):

1	Cane Processing (Pvt.) Limited	18,098,580	63.6369%
2	Mrs. Ghazala Amjad	2,646,514	9.3055%
3	Mrs. Maryam Ahsan Maqbool	1,884,338	6.6256%
4	Mrs. Isma Ahmed	1,880,996	6.6138%

All Trades in the Shares of the Listed Company, Carried Out by its Directors, Executives and their Spouses and Minor Children shall also be Disclosed:

Sr. No.	Name	Sale /Purchase	Bonus Issue
1	Mr. Amjad Javed Aftab	Nil	410
2	Mr. Ghias-Ul-Hasan	Nil	825
3	Mr. Amjad Bashir Hussain	Nil	412
4	Mr. Farhan Ilyas	Nil	412
5	Mr. Imran Ilyas	Nil	64,661

Statement of Compliance

with the Listed Companies (Code of Corporate Governance) Regulations, 2017
As on September 30, 2018

This statement is being presented to comply with the Listed Companies (Code of Corporate Governance) Regulations 2017, (the 2017 Code), for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

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

- The total number of directors are seven as per the following:

Gender	Number
Male	7
Female	Nil

In accordance with the contents of Regulation 7 of (the 2017 Code), grace period is available to the Company in appointing female director.

- The composition of the Board as at September 30, 2018 is as follows:

Category	Names
Independent Directors	Mr. Amjad Bashir Hussain
Other Non-Executive Directors	Mr. Saif-Ur-Rehman
	Mr. Amjad Javed Aftab
	Mr. Farhan Ilyas
	Mr. Muhammad Aamir Beg
	Mr. Jamal Ahmad
Executive Directors	Mr. Ghias-UI-Hassan

Further, as per the provision to Regulation 6 of the 2017 Code, grace period has been prescribed in respect of transition phase for composition of the Board with respect to minimum number of independent directors as specified in the 2017 Code. The compliance to the Regulation 6 of the 2017 Code shall be assured by next scheduled fresh election for the Company's Board of Directors by June, 2020.

- The directors have confirmed that none of them is serving as a director on more than five listed companies, including this Company.
- 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.
- 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.
- All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board as empowered by the relevant provisions of Companies Act 2017 (the Act) and CCG Regulations.
- The meetings of the Board were presided by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
- The Board of directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
- In terms of Regulation 20 of the 2017 Code, the Companies are required to ensure that all the directors on their board have acquired the prescribed certification under Director Training Program by June 30, 2021. Presently, four (4) directors of the Company have already completed this program. The remaining

three (3) directors shall obtain certification under the DTP in due course of time.

- The Board has approved appointment of Chief Financial Officer (CFO), Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
- CFO and CEO duly endorsed the financial statements before approval of the Board.

- The Board has formed committees comprising of members given below:

Audit Committee

Chairman	Mr. Amjad Bashir Hussain
Members	Mr. Muhammad Aamir Beg
	Mr. Saif-Ur-Rehman

HR & Remuneration Committee

Chairman	Mr. Farhan Ilyas
Members	Mr. Jamal Ahmed
	Mr. Ghias-UI-Hassan

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

- The frequency of meetings of the committee were as per following:

Meetings	Frequency
Audit Committee	Four quarterly meetings were held during the financial year ended September 30, 2018
HR & Remuneration Committee	One meeting was held during the financial year ended September 30, 2018

- The Board has set up an effective internal audit function.
- The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
- The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, CCG Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
- We confirm that all other requirements of the Regulations have been complied with.



Muhammad Aamir Beg
Chairman

Date: December 28, 2018

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Review Report on the

Statement of Compliance contained in Listed Companies
(Code of Corporate Governance) Regulations, 2017

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

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

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

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

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

Lahore: December 28, 2018



UHY Hassan Naeem & Co.
Chartered Accountants

Independent Auditor's Report

To the members of Jauharabad Sugar Mills Limited
Report on the Audit of Financial Statements

Opinion

We have audited the annexed financial statements of Jauharabad Sugar Mills Limited ("the Company"), which comprise the statement of financial position as at September 30, 2018 and the statement of profit or loss, 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, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at September 30, 2018 and of the profit or loss and other comprehensive income and the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

Sales

Refer to the statement of profit or loss and note 5.10 and 30 to the financial statements.

The Company generates revenue from sale of sugar and its byproducts to both local and export customers.

We identified recognition of sales as a key audit matter because sales is one of the key performance indicator of the Company and gives rise to an inherent risk of misstatement to meet expectations or targets.

Our audit procedures to assess recognition of sales, amongst others, included the following:

- obtaining an understanding of the process relating to recording of sales and testing the design, implementation and operating effectiveness of key internal controls over recording of revenue;
- assessing the appropriateness of the Company's accounting policies for recording of sales and compliance of those policies with applicable accounting standards;
- comparing a sample of sale transactions recorded around the year with the sales invoices and other relevant underlying documentation to assess if the sale was recorded in the appropriate financial period;
- comparing, on a sample basis, specific sale transactions recorded just before and just after the financial year end date to determine whether the revenue had been recognized in the appropriate financial period; and
- scanning for any manual journal entries relating to sales raised during the year which were considered to be material or met other specific risk based criteria for inspecting underlying documentation.

Borrowings and Finance Costs

Refer notes 5.4, 5.11, 19, 22, 23, 6.1 and 34 to the financial statements.

The Company has obtained range of financing facilities from different financial institutions with varying terms and tenure.

This was considered to be a key audit matter as these affects Company's gearing, liquidity and solvency.

Further, compliance with debt covenants is a key requirement of these financing arrangements.

Our audit procedures included the following:

- obtaining confirmations of borrowings as at September 30, 2018 directly from the financial institutions;
- testing the calculation of markup recognized as expense during the year to assess whether these were accounted for in accordance with approved accounting standards as applicable in Pakistan;
- assessing the adequacy of finance cost capitalized during the year;
- assessing whether installments of loans / leases due or loan / leases maturing within twelve months were classified as current liabilities; and
- assessing the adequacy of the Company's compliance with the loan covenants and the disclosure in the financial statements.

Capitalization of Property, Plant and Equipment

Refer notes 5.3 and 6 to the financial statements. The Company has made significant capital expenditure on replacement sugar machinery parts.

We identified capitalization of property, plant and equipment as key audit matter because there is a risk that amounts being capitalized may not meet the capitalization criteria with related implications on depreciation charge for the year.

Our audit procedures to assess the capitalization of property, plant and equipment, amongst others, included the following:

- understanding the design and implementation of management controls over capitalization and testing control over authorization of capital expenditure and accuracy of its recording in the system;
- testing, on sample basis, the costs incurred on projects with supporting documentation and contracts;
- assessing the nature of costs incurred for the capital projects through testing, on sample basis, of amounts recorded and considering whether the expenditure meets the criteria for capitalization as per the applicable accounting standards; and
- inspecting supporting documents for the date of capitalization when project was ready for its intended use to assess whether depreciation commenced and further capitalization of costs ceased from that date and assessing the useful life assigned by management including testing the calculation of related depreciation.

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

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended September 30, 2018, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have 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) expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on audit resulting in this independent auditor's report is Imran Iqbal.

Date: 28 Decemeber, 2018
Place: Lahore


UHY Hassan Naeem & Co.
Chartered Accountants

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Statement of Financial Position

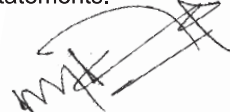
As at September 30, 2018

	Note	2018 Rupees	2017 Rupees Restated	2016 Rupees Restated
Non-current assets				
Property, plant and equipment	6	3,239,613,198	3,082,535,121	2,785,313,741
Intangible assets	7	386,196	563,305	787,169
Long-term deposits	8	664,000	264,000	395,951
		3,240,663,394	3,083,362,426	2,786,496,861
Current assets				
Stores, spare parts and loose tools	9	71,485,726	60,668,064	64,936,211
Stock-in-trade	10	753,446,441	556,411,054	30,432,460
Loans and advances	11	75,643,030	50,532,771	44,492,986
Trade Debts- unsecured considered good	12	327,298,561	1,366,352	-
Trade deposits and short term prepayments	13	2,542,253	525,474	8,114,957
Other receivables	14	47,358,382	23,017,216	206,739,717
Tax refunds due from the Government	15	124,476,219	117,868,809	67,412,584
Cash and bank balances	16	46,519,316	27,112,660	19,538,233
		1,448,769,928	837,502,400	441,667,148
Current liabilities				
Trade and other payables	17	207,501,932	392,382,117	201,256,882
Unclaimed dividend		1,043,060	797,754	607,470
Accrued mark-up	18	52,196,770	16,490,990	475,333
Short term borrowings	19	1,113,958,063	407,655,600	-
Current portion of:				
-Long term loans from banking companies-secured	22	58,699,872	9,495,161	4,541,040
-Liabilities against assets subject to finance lease-secured	23	505,295	464,906	-
Provision for taxation	20	-	2,107,249	7,483,672
		1,433,904,992	829,393,777	214,364,397
		14,864,936	8,108,623	227,302,751
		3,255,528,330	3,091,471,049	3,013,799,612
Working capital employed				
Contingencies and commitments	21	-	-	-
Non-current liabilities				
Long term loans from banking companies-secured	22	268,877,861	158,663,256	32,644,519
Liabilities against assets subject to finance lease-secured	23	133,828	638,565	-
Long term advances	24	-	115,000,000	115,000,000
Long term provision	25	1,309,000	1,309,000	1,309,000
Deferred taxation	26	240,224,655	222,030,798	198,834,346
		510,545,344	497,641,619	347,787,865
		2,744,982,986	2,593,829,430	2,666,011,747
Net capital employed				
Represented by:				
Share capital and reserves				
Share capital	27	284,403,780	247,307,640	109,097,970
Capital reserve - premium on right shares		429,283,383	466,379,523	26,879,210
Loan from sponsors	28	610,002,737	444,871,443	1,123,935,384
Revenue reserves :				
- General reserve		-	-	62,000,000
- Accumulated profits		87,333,341	74,292,448	(39,696,504)
Revaluation surplus on property, plant and equipment - net of tax	29	1,333,959,745	1,360,978,376	1,383,795,687
		2,744,982,986	2,593,829,430	2,666,011,747

The annexed notes 1 to 49 form an integral part of these financial statements.



Ghias-Ul-Hassan
Chief Executive Officer



Amjad Bashir Hussain
Director



Imran Ilyas
Chief Financial Officer

Lahore:
December 28, 2018

Annual Report 2018

Statement of Profit or Loss

For the year ended September 30, 2018


	Note	2018 Rupees	2017 Rupees Restated	2016 Rupees Restated
Sales - net	30	2,195,039,714	2,581,987,414	2,096,363,202
Cost of sales	31	2,149,333,504	2,281,868,379	1,888,218,218
Gross profit		45,706,210	300,119,035	208,144,984
Operating expenses:				
Distribution cost	32	11,264,447	9,034,707	9,003,387
Administrative expenses	33	127,021,372	107,248,842	82,440,649
		(138,285,819)	(116,283,549)	(91,444,036)
Operating profit		(92,579,609)	183,835,486	116,700,948
Finance cost	34	(138,060,940)	(124,441,520)	(53,626,365)
Other income	35	266,607,595	5,098,009	18,961,537
Profit before taxation		35,967,046	64,491,975	82,036,120
Taxation	36	(30,851,289)	(32,636,276)	23,961,226
Profit after taxation		5,115,757	31,855,699	105,997,346
Earning per share - basic and diluted	37	0.22	2.76	9.72

The annexed notes 1 to 49 form an integral part of these financial statements.

Lahore:
December 28, 2018



Ghias-UI-Hassan
Chief Executive Officer



Amjad Bashir Hussain
Director



Imran Ilyas
Chief Financial Officer

Annual Report 2018

Statement of Other Comprehensive Income

For the year ended September 30, 2018

	2018 Rupees	2017 Rupees Restated	2016 Rupees Restated
Profit after taxation	5,115,757	31,855,699	105,997,346
Other comprehensive income for the year			
Items that will never be reclassified to comprehensive income			
Incremental depreciation for the year	32,655,900	31,043,050	50,039,719
Revaluation gain on fixed assets	-	-	433,617,834
Total comprehensive income for the year	37,771,657	62,898,749	589,654,899

The annexed notes 1 to 49 form an integral part of these financial statements.

Lahore:
December 28, 2018



Ghias-UI-Hassan
Chief Executive Officer



Amjad Bashir Hussain
Director



Imran Ilyas
Chief Financial Officer

Annual Report 2018


Statement of Cash Flows

For the year ended September 30, 2018


	Note	2018 Rupees	2017 Rupees
Cash flow from operating activities			
Profit before taxation		35,967,046	64,491,975
Adjustments for:			
Depreciation	6.1.1	108,148,669	103,172,179
Amortization	7.3	177,109	223,864
Balances written off		(239,891,802)	(7,640,035)
Provision for WPPF		1,893,002	3,394,314
Finance cost	34	138,060,940	124,441,520
Loss/(Gain) on disposal of property, plant and equipment	6.1.6	694,511	(340,021)
		9,082,429	223,251,821
Operating profit before working capital changes		45,049,475	287,743,796
Working capital changes			
Stores, spare parts and loose tools		(10,817,662)	4,268,147
Stock-in-trade		(197,035,387)	(525,978,594)
Loans and advances		(25,792,261)	(6,141,885)
Trade debts		(325,932,209)	12,230,676
Trade deposits and short term prepayments		(2,016,779)	1,095,083
Other receivables		(24,341,166)	183,722,501
Trade and other payables		(66,380,199)	105,061,968
		(652,315,663)	(225,742,104)
Cash used in/generated from operations		(607,266,188)	62,001,692
Tax paid		19,304,206	(50,456,225)
WPPF Paid		(3,394,314)	(4,319,459)
Dividend paid		(24,485,458)	(10,719,513)
Finance cost paid		(126,956,851)	(110,489,028)
		(174,140,829)	(175,984,225)
Net cash used in operating activities		(781,407,017)	(113,982,533)
Cash flow from investing activities			
Addition in property, plant and equipment		(251,330,609)	(398,503,371)
Sale proceeds on disposal of property, plant and equipment		7,066,500	2,435,250
Long term deposits		(400,000)	-
Net cash used in investing activities		(244,664,109)	(396,068,121)
Cash flow from financing activities			
Long term finances		159,419,316	130,972,858
Short term borrowings		706,302,463	407,655,600
Lease rentals paid		(540,929)	(818,781)
Sponsors' loan		180,296,932	(20,184,596)
Net cash generated from financing activities		1,045,477,782	517,625,081
Net increase in cash and cash equivalents		19,406,656	7,574,427
Cash and cash equivalents at beginning of the year		27,112,660	19,538,233
Cash and cash equivalents at end of the year	16	46,519,316	27,112,660

The annexed notes 1 to 49 form an integral part of these financial statements.

Lahore:
December 28, 2018


Ghias-Ul-Hassan
Chief Executive Officer


Amjad Bashir Hussain
Director


Imran Ilyas
Chief Financial Officer

Statement of Changes in Equity

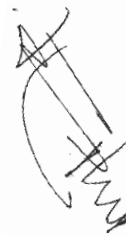
For the year ended September 30, 2018

	Share Capital	Share Premium	General reserve	Share deposit money	Revaluation surplus	Accumulated profits	Loan from sponsors	Total
	(Rupees)							
Balance as on October 01, 2015	109,097,970	26,879,210	62,000,000	577,710,218	1,049,736,097	(172,050,649)	325,106,255	1,978,479,101
Effect of restatement as referred in note 38	-	-	-	-	11,880,161	-	-	11,880,161
Balance as on October 01, 2015- Restated	109,097,970	26,879,210	62,000,000	577,710,218	1,061,616,258	(172,050,649)	325,106,255	1,990,359,262
Balance as on October 01, 2015- restated	109,097,970	26,879,210		577,710,218	1,061,616,258	(172,050,649)	325,106,255	1,990,359,262
Loan provided during the year	-	-	-	-	-	-	442,059,800	442,059,800
Share deposit money	-	-	-	-	-	-	(220,940,889)	(220,940,889)
Repayments made during the year	-	-	-	(577,710,218)	-	-	577,710,218	-
Addition/(deletion) in revaluation surplus	-	-	-	-	433,617,834	-	-	433,617,834
Deferred tax on revaluation surplus	-	-	-	-	(90,761,536)	-	-	(90,761,536)
Incremental depreciation for the year	-	-	-	-	(38,198,259)	-	-	(38,198,259)
Tax on incremental depreciation for the year	-	-	-	-	11,841,460	-	-	11,841,460
Effect of rate change as referred in note 38	-	-	-	-	5,679,930	-	-	5,679,930
Total comprehensive income for the year	-	-	-	-	-	132,354,145	-	132,354,145
Balance as on September 30, 2016- Restated	109,097,970	26,879,210	62,000,000	-	1,383,795,687	(39,696,504)	1,123,935,384	2,666,011,747
Balance as on October 01, 2017- restated	109,097,970	26,879,210	62,000,000	-	1,383,795,687	39,696,504	1,123,935,384	2,666,011,747
Repayments made during the year	-	-	-	-	-	-	-4,862,848	(4,862,848)
Transfer to short term loan	-	-	-	-	-	-	-96,491,110	(96,491,110)
Loan converted into shares at premium	115,727,160	461,982,823	-	-	-	-	-577,709,983	-
Issuance of 10% bonus shares	22,482,510	(22,482,510)	-	-	-	-	-	-
Transfer from general reserves	-	-	(62,000,000)	-	-	62,000,000	-	-
10% Cash dividend	-	-	62,000,000	-	-	(10,909,797)	-	(10,909,797)
Incremental depreciation for the year	-	-	-	-	(44,347,214)	-	-	(44,347,214)
Tax on incremental depreciation for the year	-	-	-	-	13,304,164	-	-	13,304,164
Effect of rate change as referred in note 38	-	-	-	-	8,225,739	-	-	8,225,739
Total comprehensive income for the year	-	-	-	-	-	62,898,749	-	62,898,749
Balance as on September 30, 2017-Restated	247,307,640	466,379,523	-	-	1,360,978,376	74,292,448	444,871,443	2,593,829,430

The annexed notes 1 to 49 form an integral part of these financial statements.



Lahore:
December 28, 2018
Ghias-Ul-Hassan
Chief Executive Officer



Amjad Bashir Hussain
Director



Imran Ilyas
Chief Financial Officer

Annual Report 2018

Statement of Changes in Equity

For the year ended September 30, 2018

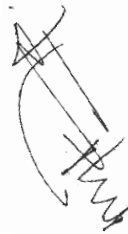
	Share Capital	Share Premium	General reserve	Share deposit money	Revaluation surplus	Accumulated profits	Loan from sponsors	Total
	(Rupees)							
Balance as on October 01, 2017- restated	247,307,640	466,379,523	-	-	1,360,978,376	74,292,448	444,871,443	2,593,829,430
Repayment of loan during the year	-	-	-	-	-	-	-102,791,958	(102,791,958)
Loan from associates written off	-	-	-	-	-	-	(125,000,000)	(125,000,000)
Transfer from short term loan	-	-	-	-	-	-	11,923,252	11,923,252
Loan received during the year	-	-	-	-	-	-	381,000,000	381,000,000
Dividend paid @ Rs.1/- per share	-	-	-	-	-	(24,730,764)	-	(24,730,764)
Total comprehensive income for the year	-	-	-	-	-	37,771,657	-	37,771,657
Issuance of bonus shares @ 15%	37,096,140	(37,096,140)	-	-	-	-	-	-
Revaluation surplus on assets disposed off - net of tax	-	-	-	-	(2,144,998)	-	-	(2,144,998)
Incremental depreciation for the year	-	-	-	-	(45,994,226)	-	-	(45,994,226)
Tax on incremental depreciation for the year	-	-	-	-	13,338,326	-	-	13,338,326
Effect of change in rate of tax	-	-	-	-	7,782,267	-	-	7,782,267
Balance as on September 30, 2018	284,403,780	429,283,383	-	-	1,333,959,745	87,333,341	610,002,737	2,744,982,986

The annexed notes 1 to 49 form an integral part of these financial statements.

Lahore:
December 28, 2018



Ghias-UI-Hassan
Chief Executive Officer



Amjad Bashir Hussain
Director



Imran Ilyas
Chief Financial Officer

Annual Report 2018

Notes to the Financial Statements

For the year ended September 30, 2018

1 Reporting entity

- 1.1 Jauharabad Sugar Mills Limited "the Company" (formerly known as Kohinoor Sugar Mills Limited) was incorporated in Pakistan in 1968 under the repealed Companies Act 1913 (now Companies Act, 2017). The shares of the Company are listed on the Pakistan Stock Exchanges. The registered office of the Company is situated at 109-A, Street No.3, Cavalry Ground, Lahore Cantt., and the mill is located at Jauharabad, District Khushab, Pakistan. The production plant is located at Industrial Area Jauharabad City District Khushab in the province of Punjab. The principal activity of the Company is manufacturing and sale of sugar and its by-products.
- 1.2 Summary of significant events and transactions in the current reporting period
The Company's financial position and performance were particularly affected by the following events and transactions during the reporting period:
- a) The Company is in the process of installation of a power plant electricity generation capacity of 15 MW /hour, which will significantly affect the business volume and profitability of the Company. Refer note 6.2 for capital expenditures and advances against the same incurred till 30 September, 2018. In this regard, the Company has arranged long term finance facilities aggregating Rs. 350.00 million as referred in note 22 of these financial statements.
 - b) During the year a godown at factory premises caught fire. Due to this incident 605,583 packing bags were burnt and sugar was re-processed. The said godown was insured and the Company claimed insurance amount as referred in note 35 of these financial statements.
 - c) Offered bonus shares to the existing shareholders as referred in note 27.

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 applicable in Pakistan comprises:

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

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

2.2 Basis of measurement

These financial statements have been prepared under historical cost convention except for the following:

- certain financial instruments at fair value;
- certain property, plant and equipment at revalued amounts; and

Other areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows.

- Estimation of net realizable value
- Computation of deferred taxation
- Disclosure of contingencies

3 Use of estimates and judgements

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

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

Annual Report 2018

Notes to the Financial Statements

For the year ended September 30, 2018

The areas where assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

3.1 Property, plant and equipment

The Company reviews the useful lives and residual values of property, plant and equipment on a regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

3.2 Stores, spare parts and loose tools

The Company reviews the stores, spare parts and loose tools for possible impairment on an annual basis. Any change in estimates in future years might affect the carrying amounts of the respective items of stores, spare parts and loose tools with a corresponding effect on the provision.

3.3 Stock-in-trade

The Company reviews the carrying amount of stock-in-trade on a regular basis. Carrying amount of stock-in-trade is adjusted where the net realizable value is below the cost. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

3.4 Impairment

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

3.5 Taxation

The Company takes into account the current income tax law and decisions taken by the taxation authorities. Instances where the Company's views differ from the views taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities. The Company also regularly reviews the trend of proportion of incomes between Presumptive Tax Regime income and Normal Tax Regime income and the change in proportions, if significant, is accounted for in the year of change.

3.6 Provision for doubtful debts, advances and other receivables

The Company reviews the recoverability of its trade debts, advances and other receivables to assess amount of bad debts and provision required there against on annual basis.

3.7 Provisions and contingencies

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

4 New standards, amendments to approved accounting standards and new interpretations

4.1 Standard or Interpretation

The Company has adopted the following revised standards and amendments of IFRS which became effective for the current year:

IAS-7-Statement of cash flows- Disclosure initiative- (Amendment)

Standard, interpretations and amendments to approved accounting that are not yet effective:

The following 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 and interpretations.

Standards or Interpretation		Effective date (beginning on or after)
IFRS-2	- Classification and measurement of share based payments transactions (Amendments)	January 1, 2018
IFRS-4	- Applying IFRS 9 financial instruments with IFRS-4 Insurance contracts (Amendments)	January 1, 2018
IFRS-9	- Financial instruments	July 1, 2018

Annual Report 2018

Notes to the Financial Statements

For the year ended September 30, 2018

IFRS-9	- Prepayments features with Negative compensation (Amendments)	January 1, 2019
IFRS-15	- Revenue from contracts with customers	July 1, 2018
IFRS-16	- Leases	January 1, 2019
IAS-19	- Plan amendment curtailment or settlement (Amendments)	January 1, 2019
IAS-28	- Long term interests in associates and joint ventures (Amendments)	January 1, 2019
IAS-40	- Transfer of investment property (Amendments)	January 1, 2018
IFRIC-22	- Transfer of investment property (Amendments)	January 1, 2018
IFRIC-23	- Uncertainty over income tax treatments	January 1, 2018

The above standards and amendments are not expected to have any material impact on the Company's financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan

Standards	IASB Effective date (beginning on or after)
IFRS-14 - Regulatory deferral accounts	January 1, 2018
IFRS-17 - Insurance contracts	January 1, 2018

The Company expects that above new standards will not have any material impact on the Company's financial statements in the period of initial application.

5 Significant accounting policies

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

5.1 Staff retirement benefits Defined contribution plan

The Company operates a defined contribution provident fund scheme (the Fund) for its permanent employees. Equal monthly contributions are made to the fund both by the Company and employees at the rate of 10% of basic salary. The Company's contribution is charged to the statement of comprehensive income.

5.2 Taxation

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

Current

Provision for current taxation is based on taxable income, as adjusted for tax purposes, at the current rate of tax after taking into account all tax credits, rebates and available tax losses determined in accordance with prevailing tax laws. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments made during the year for such years.

Deferred

Deferred tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses and tax credits to the extent that it is probable that future taxable profits will be available against which deferred tax asset can be utilized, except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability that, at the time of transaction, affects neither the accounting nor taxable profits.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax asset and liability is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Notes to the Financial Statements

For the year ended September 30, 2018

5.3 Property, plant and equipment - owned

Recognition-Tangible Assets

Property, plant and equipment except for freehold land, buildings, plant and machinery are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land, buildings, plant and machinery are stated at revalued amount. Surplus on revaluation is booked by restating carrying amounts of respective assets being revalued, proportionately to the change in their carrying amounts due to revaluation. The accumulated depreciation at the date of revaluation is also adjusted to equal difference between gross carrying amounts and the carrying amounts of the assets after taking into account accumulated impairment losses. The surplus on revaluation of fixed assets to the extent of the annual incremental depreciation based on the revalued carrying amount of the assets and the depreciation based on the assets' original cost is transferred annually to retained earnings net of deferred tax.

Recognition-Intangible Assets

Cost of tangible assets consists of historical cost pertaining to installation period and other directly attributable cost of bringing the asset to working condition.

Subsequent Recognition

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

Depreciation

Depreciation on all items of property, plant and equipment except for freehold land is charged to income applying the reducing balance method so as to write off the historical cost/revalued amounts of an asset over its estimated useful life at the rates as disclosed in note 6. Depreciation on addition is charged from the month, when the asset is purchased and no depreciation is charged in the month, when the asset is derecognized.

Amortization

The estimated useful life and amortization method is reviewed at the end of each annual reporting period, with effect of any changes in estimate being accounted for on a prospective basis. Amortization on additions to tangible assets is charged from the month in which an asset is put to use and no disposal up to the month of disposal.

Derecognition of Assets

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on Derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the statement of comprehensive income for the year, when the asset is derecognized. Upon disposal, any revaluation reserve relating to the particular assets being sold is transferred to retained earnings. All transfers to / from on surplus on revaluation of fixed assets account are net of applicable deferred income tax.

5.4 Accounting for leases and assets subject to finance lease

5.4.1 Finance lease

Recognition

Leases where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Assets subject to finance lease are initially recognized at the commencement of the lease term at the lower of present value of minimum lease payments under the lease agreements and the fair value of the leased assets, each determined at the inception of the lease. Subsequently these assets are stated at cost less accumulated depreciation and any identified impairment loss. The related rental obligations, net off finance cost, are included in liabilities against assets subject to finance lease. The liabilities are classified as current and non current depending upon the timing of payments.

Financial charges

Lease payments are allocated between the liability and finance cost so as to achieve a constant rate on the balance outstanding. The finance cost is charged to income over the lease term.

Depreciation

Assets acquired under a finance lease are depreciated in the same manner and at the same rates used for similar owned assets, so as to depreciate these assets over their estimated useful lives in view of certainty of ownership of these assets at the end of lease term. Depreciation of the leased assets is charged to income.

Annual Report 2018

Notes to the Financial Statements

For the year ended September 30, 2018

Deferred income

Income arising from sale and lease back transaction, if any, which results in finance lease, is deferred and amortized equally over the lease period.

5.4.2 Operating lease

Leases where significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income on a straight-line basis over the period of lease.

5.5 Capital work-in-progress

Capital work in progress is stated at cost less any identified impairment losses. Transfers are made to relevant fixed assets category as and when assets are available for use.

5.6 Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the asset.

Non-financial assets

The carrying amount of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present values using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

5.7 Stores, spare parts and loose tools

These are valued at lower of cost and net realizable value. Cost is determined at average running cost. Items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon. Cost is determined at average running cost.

5.8 Stock in trade

These are valued at lower of cost and net realizable value (NRV) except molasses, bagasse and VF cake which is valued at NRV. Cost in relation to raw material, work in process and finished goods represents average cost comprising direct material, labor and appropriate manufacturing overheads. NRV represents the estimated selling price less cost necessarily to be incurred for such sale. Cost is determined as follows;

Work-in-process	: At estimated cost.
Finished goods - sugar	: Lower of weighted average cost and net realizable value

5.9 Revenue recognition

Revenue from sale of goods is measured at fair value of the consideration received or receivable, net of discounts and applicable taxes. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing involvement of management with the goods and the amount of revenue can be measured reliably.

- Revenue from the sale of electricity is recognized on transmission of electricity;
- Interest and rental income are recognized on accrual basis;
- Dividend income is recognized when the Company's right to receive the dividend is established; and
- Sale of scrap is recognized on actual realization basis.

5.10 Borrowings and borrowing costs

Borrowings are recorded at the proceeds received. Finance costs are accounted for on an accrual basis and are included in current liabilities to the extent of the amount remaining unpaid.

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For the year ended September 30, 2018

Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of the borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs are capitalized as part of the cost of that asset up to the date of its commissioning.

5.11 Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of past event, and it is probable that an out flow of resource embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

5.12 Trade debts and other receivables

Trade debts originated by the Company are recognized and carried at original invoice value less any allowance for uncollectible amounts. An estimated provision for doubtful debts is made when there is objective evidence that collection of the full amount is no longer probable. The amount of provision is charged to income. Bad debts are written off as incurred. Other receivables are stated at amortized cost. Known impaired receivables are written off, while receivables considered doubtful are provided for.

5.13 Trade and other payables

Liabilities of 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.

5.14 Dividend

The dividend distribution to the shareholders is recognized as a liability in the period in which it is approved by the shareholders.

5.15 Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument and derecognized when the Company loses control of contractual rights that comprise the financial assets and in case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of financial assets and financial liabilities is included in the statement of comprehensive income for the year.

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

5.16 Offsetting of financial assets and 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 legal enforceable right to set off the recognized amounts and intends either to settle on net basis or to realize the assets and the liabilities simultaneously.

5.17 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise of cash in hand and bank balances.

5.18 Foreign currencies transactions

Monetary assets and liabilities in foreign currencies are translated into Pak Rupee at the rate of exchange prevailing at the balance sheet date, except those covered by forward contracts, which are stated at contracted rates. Foreign currency transactions are translated into Pak Rupees at the rates prevailing at the date of transaction except for those covered by forward contracts, which are translated at contracted rates. Non monetary items are translated into Pak Rupee on the date of transaction or on the date when fair values are determined. Exchange differences are included in income currently.

5.19 Related party transactions

All transactions with related parties are carried out as arms' length transactions by the Company using the methods prescribed under the Companies Act, 2017.

5.20 Functional and presentation currency

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

Notes to the Financial Statements

For the year ended September 30, 2018

6 Property, plant and equipment

	Note	2018 Rupees	2017 Rupees
Property, plant and equipment	6.1	2,823,088,364	2,781,631,249
Capital work-in-progress	6.2	416,524,834	300,903,872
		3,239,613,198	3,082,535,121

6.1 Property, plant and equipment

Particulars	Owned Assets							Leased Assets		Grand Total
	Freehold Land	Building on freehold land	Plant and machinery	Service and other equipment	Furniture and fixture	Office equipment	Vehicles	Vehicles		
------(Rupees)-----										
Balance at October 01, 2016	817,868,000	289,949,519	2,390,140,685	10,177,778	8,309,785	9,257,504	30,334,547	-	-	3,556,037,818
Additions	-	19,859,289	91,856,805	-	631,658	990,313	30,927,915	1,853,223	1,853,223	146,119,203
Transfer	-	-	9,710,999	-	-	-	-	-	-	9,710,999
Disposal	-	-	-	-	-	-	(3,162,590)	-	-	(3,162,590)
Balance at September 30, 2017	817,868,000	309,808,808	2,491,708,489	10,177,778	8,941,443	10,247,817	58,099,872	1,853,223	1,853,223	3,708,705,430
Balance at October 01, 2017	817,868,000	309,808,808	2,491,708,489	10,177,778	8,941,443	10,247,817	58,099,872	1,853,223	1,853,223	3,708,705,430
Additions	-	5,472,025	74,338,247	-	616,787	773,492	16,859,777	-	-	98,060,328
Transfer	-	-	62,327,591	-	-	-	-	-	-	62,327,591
Disposal	-	(6,068,561)	-	-	-	(150,000)	(10,791,398)	-	-	(17,009,959)
Balance at September 30, 2018	817,868,000	309,212,272	2,628,374,327	10,177,778	9,558,230	10,871,309	64,168,251	1,853,223	1,853,223	3,852,083,390
Depreciation										
Balance at October 01, 2016	-	111,402,439	681,059,591	7,992,448	4,807,636	3,259,473	16,447,775	-	-	824,969,362
For the year	-	9,372,953	87,006,530	208,790	363,622	610,174	5,299,716	310,394	310,394	103,172,179
Disposal	-	-	-	-	-	-	(1,067,360)	-	-	(1,067,360)
Balance at September 30, 2017	-	120,775,392	768,066,121	8,201,238	5,171,258	3,869,647	20,680,131	310,394	310,394	927,074,181
Balance at October 01, 2017	-	120,775,392	768,066,121	8,201,238	5,171,258	3,869,647	20,680,131	310,394	310,394	927,074,181
For the year	-	9,451,701	88,976,741	197,654	401,978	678,689	8,133,340	308,566	308,566	108,148,669
Disposal	-	(1,305,096)	-	-	-	(38,705)	(4,884,023)	-	-	(6,227,824)
Balance at September 30, 2018	-	128,921,997	857,042,862	8,398,892	5,573,236	4,509,631	23,929,448	618,960	618,960	1,028,995,026
Carrying value 2017	817,868,000	189,033,416	1,723,642,368	1,976,540	3,770,185	6,378,170	37,419,741	1,542,829	1,542,829	2,781,631,249
Carrying value 2018	817,868,000	180,290,275	1,771,331,465	1,778,886	3,984,994	6,361,678	40,238,803	1,234,263	1,234,263	2,823,088,364
Rates of depreciation	0%	5%	5%	10%	10%	10%	20%	20%	20%	

Notes to the Financial Statements

For the year ended September 30, 2018

6.1.1 Depreciation for the year has been allocated as under:

	Note	2018 Rupees	2017 Rupees
Cost of sales	31	105,985,696	101,108,735
Administrative expenses	33	2,162,973	2,063,444
		108,148,669	103,172,179

6.1.2 All assets are acquired with the funds of the Company and are held by and in the possession and control of the Company.

6.1.3 Plant and machinery includes mark up capitalized amounting to Rs. 2,548,253/- (2017: Rs. 3,349,038/-).

6.1.4 The latest valuation of the Company's assets was carried as at 31 March 2016 and the forced sale value as at the date is given below:

	Amount in Rupees
Freehold land	695,187,800
Building on freehold land	129,641,720
Plant machinery and equipment	1,225,000,000
	2,049,829,520

6.1.5 Buildings, plant and machinery are located at freehold land measuring 497.68 Kanals located at industrial area Jauharabad City District Khushab.

6.1.6 Disposal of property, plant & equipment

Particulars	Cost	Net Book Value	Sale Proceeds	Gain /(Loss) on proceeds	Mode of disposal	Name of purchaser
	-----Rupees-----					
Building on freehold land						
Factory Godown	6,068,561	1,742,341	2,030,000	287,659	Insurance Claim	IGI Insurance Company
Sub total	6,068,561	1,742,341	2,030,000	287,659		
Vehicles						
"Toyota Grande (KB-15-09)"	2,397,919	1,510,516	1,782,000	271,484	Negotiation	Muhammad Mushtaq - Open market
"Toyota Grande (KB-15-08)"	2,397,919	1,485,341	1,782,000	296,659	Negotiation	Muhammad Ashfaq - Open market
"Suzuki Swift (KB-14-100)"	1,394,000	751,364	337,500	(413,864)	Sale	Amjad Mahmood -Employee
"Suzuki Swift (LEB-14-2268)"	1,341,490	673,276	325,500	(347,776)	Sale	Amjad Javed Aftab - Employee
"Suzuki Cultus (LED-14-7041)"	1,086,690	568,374	262,250	(306,124)	Sale	Amanat Ali - Employee
"Suzuki Cultus (LED-14-7042)"	1,086,690	404,651	262,500	(142,151)	Sale	Arsalan Ahmad -Employee
"Suzuki Cultus (LED-14-5803)"	1,086,690	513,852	262,250	(251,602)	Sale	Fateh Ullah - Employee
Sub total	10,791,398	5,907,376	5,014,000	(893,376)		
Office equipment						
Having book value less than Rs. 500,000	150,000	111,294	22,500	(88,794)	Sale	Employee
Total 2018	17,009,959	7,761,011	7,066,500	(694,511)		

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For the year ended September 30, 2018

"Toyota Grande (LEE-15-3740)"	2,381,340	1,577,648	2,200,000	622,352	Negotiation	Toyota Motors - Open market
"Honda City (LED-08-5031)"	781,250	517,582	235,251	(282,331)	Sale	Jamal Ahmed - Employee
Total - 2017	3,162,590	2,095,230	2,435,251	340,021		

6.1.7 It is the Company's policy to transfer the vehicles to its employees after 4 years of purchase at 25 percent and laptops after 3 years at 15 percent of the cost of asset.

6.1.8 The value of labor colony land at Jauharabad acquired from Housing and Physical Planning Department (PHATA), Jauharabad has not yet been settled. The estimated liability on this account amounting to Rs.1,309,000/- is duly accounted for in books of accounts of the Company as referred in note 25.

6.1.9 If the freehold land, building and plant and machinery were measured using the cost model, the carrying amount would be as follows:

Particulars	Cost	Accumulated depreciation	Net book value
		(Rupees)	
2018			
Freehold land	1,648,310	-	1,648,310
Building on freehold land	204,512,361	94,564,979	109,947,382
Plant and machinery	1,652,976,135	684,727,154	968,248,981
	1,859,136,806	779,292,133	1,079,844,673
2017			
Freehold land	1,648,310	-	1,648,310
Building on freehold land	200,040,336	89,719,602	110,320,734
Plant and machinery	1,516,310,297	638,017,913	878,292,384
	1,717,998,943	727,737,515	990,261,428

6.2 Capital work-in-progress

This cost incurred at BMR program of the Company in previous year and transferred to fixed assets as follows:

Description	Opening balance	Additions during the year	Transferred to/ (from)	Closing balance
			(Rupees)	
Plant and machinery	235,352,619	153,305,542	77,412	388,735,573
Advances for capital expenditure	65,551,253	24,643,011	(62,405,003)	27,789,261
	300,903,872	177,948,553	(62,327,591)	416,524,834

6.2.1 Capital work in progress includes mark up capitalized amounting to Rs. 22,130,019/- in plant and machinery, (2017: Rs. 8,585,591/-) and in advances for capital expenditure amounting to Rs. Nil, (2017: Rs. 130,582/-).

6.2.2 Advances for capital expenditure relates to the purchase of plant and equipment.

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For the year ended September 30, 2018

	Note	2018 Rupees	2017 Rupees
7 Intangible assets			
7.1 Cost			
At beginning of the year		1,100,000	1,100,000
Additions during the year		-	-
Disposal during the year		-	-
At the end of the year		1,100,000	1,100,000
7.2 Accumulated Amortization			
At beginning of the year		536,695	312,831
Amortization for the year	7.3	177,109	223,864
At the end of the year		713,804	536,695
Net book value		386,196	563,305
Amortization rate - % per annum		33%	33%
7.3 Amortization for the year has been allocated as under:			
Cost of sales	31	173,567	219,387
Administrative expenses	33	3,542	4,477
		177,109	223,864
8 Long-term deposits			
This represents interest free deposits for provision of utilities at plant and security to landlord of head office and are refundable on disconnection of services.			
9 Stores, spare parts and loose tools			
Stores		38,640,827	27,336,656
Spare parts		30,947,046	31,509,335
Loose tools		1,897,853	1,822,073
		71,485,726	60,668,064
10 Stock-in-trade			
Work in process		1,929,396	1,958,426
Finished goods	10.1	751,517,045	554,452,628
		753,446,441	556,411,054
10.1 Finished goods are pledged against short term borrowing from various banks.			
11 Loans and advances			
Advances considered good - unsecured			
Suppliers		44,512,741	24,751,427
Employees	11.1	10,089,182	6,253,494
Agricultural loan	11.2	19,603,268	7,560,026
		74,205,191	38,564,947
Others	11.3	-	655,305
L.C Deposit	11.4	1,437,839	11,312,519
		75,643,030	50,532,771

11.1 This includes advances made to Chief Operating Officer amounting to Rs. 4.80 million during the year.

11.2 This represents interest free advances to sugarcane growers, which are adjustable against supply of sugarcane.

11.3 The amount receivable from Radiant Power (Pvt.) Limited is written off on account of dissolution of the Company.

11.4 This comprises deposits against letter of credits for fixed assets of Rs. 0.80 million (2017: Rs. 3.90 million) and consumables of Rs. 0.63 million (2017: Rs. 7.41 million).

Notes to the Financial Statements

For the year ended September 30, 2018

	Note	2018 Rupees	2017 Rupees
12 Trade Debts- unsecured considered good			
Local Debtors			
Considered good - unsecured		327,298,561	1,366,352
		327,298,561	1,366,352
13 Trade deposits and short term prepayments			
Prepaid expenses	13.1	2,542,253	525,474
		2,542,253	525,474
13.1 This mainly includes group insurance expense amounting to Rs. 1,181,812/- from Pak Qatar Takaful.			
14 Other receivables - unsecured considered good			
Excise duty recoverable	14.1	10,500,922	10,500,922
Export fund refund	14.2	2,746,250	2,746,250
Special excise duty refundable	14.3	505,200	505,200
Rebate receivable on export of sugar	14.4	24,341,166	-
Others	14.5	9,264,844	9,264,844
		47,358,382	23,017,216
14.1 This represents refund allowed by the Central Excise Appellate Tribunal, Lahore, in the light of criteria set up by the Supreme Court of Pakistan, against Central Excise Duty paid during the season 1988-89.			
14.2 This represents relief granted by the Lahore High Court against previous years' demand.			
14.3 This represents an amount paid under protest as 1% Special Excise Duty on the goods manufactured prior to Finance Bill 2007, whereas it was leviable on goods manufactured/ imported from July-01,2007, vide Circular No. 1(3) Fed 2007 dated 28th August, 2007.			
14.4 This represents rebate receivable from Government against export of sugar.			
14.5 This represents sales tax amount recoverable against sale of goods.			
15 Tax refunds due from the Government			
Opening balance		117,868,809	67,412,584
Add: Tax deducted during the year		19,304,206	50,456,225
Less: Adjusted against prior year taxes		(12,696,796)	-
		124,476,219	117,868,809
15.1 The assessments of the Company have been completed for and up to financial year ended on September 30, 2017.			
16 Cash and bank balances			
Cash in hand		351,779	293,525
Cash at banks - saving accounts	16.1	1,432,947	79,577
Cash at banks - current accounts		44,734,590	26,739,558
		46,519,316	27,112,660
16.1 The balances in saving accounts carry average markup at 4.85% per annum (2017: Rs.2.55%).			
17 Trade and other payables			
Trade Creditors		55,231,322	15,842,139
Salaries and wages payable		11,416,379	11,388,259
Accrued liabilities		4,707,402	2,231,688
Advances from customers	17.1	36,175,644	199,111,371
Income tax deducted at source		4,392	69,648
Income tax payable	17.2	-	6,590,508
Sugarcane cess payable	17.3	3,001,109	3,001,109
Sales tax payable	17.4	92,160,790	40,174,325
Security deposit		2,866,366	698,868
Workers' profit participation fund (WPPF)		1,938,528	3,439,840
Other Loans from sponsors	17.5	-	109,834,362
		207,501,932	392,382,117

Notes to the Financial Statements

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- 17.1 This represents advances received from customers for molasses/sugar sales.
- 17.2 The income tax liability related to tax year 2011 created vide order of learned Deputy Commissioner Inland Revenue has been adjusted against tax refunds due from the Government.
- 17.3 This represents sugarcane cess demanded by Cane Commissioner, Lahore against sugarcane purchased from KPK.
- 17.4 This represents sales tax payable for the month of September, 2018 and provision against pending cases of sales tax for the year 1999-2000 amounting to Rs. 88.91 million and Rs. 3.44 million, respectively. (2017: Rs. 37.84 million and 3.44 million).
- 17.5 This represents short term loans from sponsors which includes Rs. 97.91 million paid during the year and Rs.11.92 million was transferred to long term loans from sponsors.

	Note	2018 Rupees	2017 Rupees
18 Accrued mark-up			
Accrued mark-up on:			
- Long term finances from banking companies-secured		7,612,606	3,486,773
- Short term borrowings		44,584,164	13,004,217
		52,196,770	16,490,990

19 Short term borrowings

	Sanction limit 'Rupees in Million'			
Mark-up based borrowings from Conventional Banks				
Running Finance	100	19.1	96,997,688	-
Cash finance	1800	19.1	573,287,520	332,000,000
Islamic mode of financing				
Morabaha finance (hypo)	400	19.2	391,998,000	75,655,600
Bai Salam	1050	19.2	51,674,855	-
	3350		1,113,958,063	407,655,600

- 19.1 These facilities have been obtained from various conventional banks to meet working capital requirements and are secured by charge over current and future assets (fixed and current) of the Company, pledge of sugar stock and personal guarantees of sponsors and corporate guarantee of Cane Processing (Pvt.) Limited.

These facilities carry mark-up at the rates ranging from 3 months Kibor + 2% to matching Kibor + 2.50% per annum payable quarterly.

The aggregate available short term funded facilities amounting to Rs. 1.90 billion (2017: Rs. 1.60 billion).

- 19.2 These facilities have been obtained from various Islamic banks to meet working capital requirements and are secured by charge over current and future assets (fixed and current) of the Company, pledge of sugar stock, lien over import documents and personal guarantees of sponsors and corporate guarantee of Cane Processing (Pvt.) Limited (Holding Company).

These facilities carry mark-up at the rates ranging from matching Kibor + 2% to matching Kibor + 2.75% per annum payable quarterly.

The aggregate available short term funded facilities amounting to Rs.1.45 billion (2017: Rs. 1.00 billion).

The loans from other associates of the Company are subordinated under a subordination agreement.

20 Provision for taxation

Balance at beginning of the year		2,107,249	7,483,672
Add: Provision for the year		-	2,107,249
		2,107,249	9,590,921
Less: Prior year adjustments/ payments		(2,107,249)	(7,483,672)
Balance at end of the year	20.1	-	2,107,249

- 20.1 Provision for current tax is calculated as per provisions of Income Tax Ordinance, 2001 at the applicable rates.

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21 Contingencies and commitments

21.1 Contingencies

The followings are known contingencies as on September 30, 2018.

- 21.1.1** Since Federal Excise Duty (FED) is leviable on goods produced or manufactured, therefore FED is not leviable on sale of sugar produced prior to the Finance Bill 2011. Hence FED amounting to Rs. 58.88 million has not been accounted for in these financial statements. The Company has filed a writ petition in the Honorable Lahore High Court against FBR show cause notice dated 19-09-2012 against the demand of Rs. 58.88 million.
- 21.1.2** The Income Tax Department raised a demand of Rs. 197.07 million on account of non deduction of tax while making payment to sugar cane suppliers. The demand was abolished by the Commissioner of income tax like in some other similar cases. However, the department has filed an appeal against the Commissioner's order. The company is hopeful that the tribunal decision would be in its favor.
- 21.1.3** The company has filed a writ petition against the amendments of finance act 2014 on "Alternate Corporate taxes", implication on tax year 2013 of company against which a demand of Rs.50.26 million has been established, the said amendments would not be implemented as the income realized was before the said amendments, amendments become applicable after July 1, 2014.
- 21.1.4** The company has filed an appeal and stay application before Commissioner Inland Revenue (Appeals-I) against demand of Rs. 82.16 million created by Assistant Commissioner Inland Revenue vide order under section 161(1A)/205(3) which is decided in favour of the Company creating the demand of Rs.1.37 million. The department has filed an appeal before ATIR against the decision.

21.2 Commitments

	Note	2018 Rupees	2017 Rupees
21.2.1	In respect of		
	-capital expenditure	977,958	15,710,381
	-irrevocable letter of credits for stores and spares	8,474,891	7,010,576
		9,452,849	22,720,957
22	Long term loans from banking companies-secured		
	Albaraka Bank Pakistan Limited	22.1	182,605,772
	Soneri Bank Limited	22.2	144,971,961
	Less: Current portion	(58,699,872)	(9,495,161)
		268,877,861	158,663,256

22.1 This includes long term loan against sanctioned DM facility of Rs. 150.00 million obtained from Albaraka Bank Pakistan Limited for power plant and carries mark-up at the rate of 3 months matching KIBOR plus 3% and profit is payable on quarterly basis. The said loan is secured against:

Bank's exclusive charge over DM assets amounting to Rs.150.00 million including power plant and allied parts, accessories, erections, civil construction etc. registered with SECP.

The loan is to be repaid on quarterly basis within 3 years after commissioning of power plant.

This also includes long term loan against sanctioned DM facility of Rs. 50.00 million obtained from Albaraka Bank Pakistan Limited, which is the sub-limit of the funded facility of Rs.450.00 million already obtained from Albaraka Bank Pakistan Limited, for import of machinery and carries mark-up at the rate of 3 months matching KIBOR plus 3% and mark-up is payable on quarterly basis. The funded facility already obtained by the Company is secured as referred in note 19.2.

The loan is to be repaid on quarterly basis as per schedule.

22.2 This includes long term loan against sanctioned term finance facility of Rs. 200.00 million obtained from Soneri Bank Limited to finance procurement/installation of 15+5MW second hand power plant in terms of arrangement auxiliary equipment, completion of erection and civil work and interconnecting fees.

Total estimated cost of project is Rs.500.00 million out of which 30% shall be incurred from equity resources and rest of Rs.350.00 million shall be arranged from bank's borrowing (Rs.200.00 million from SBL and 150.00 million from Albaraka Bank Pakistan Limited).

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It carries mark-up at the rate of 3 months KIBOR plus 2.75% and mark-up is payable on quarterly basis. The said loan is to be repaid within 4 years from the date of first disbursement and including grace period of 6 months in 12 equal quarterly installments. First installment shall fall due on first working day of 10th month from the date of first drawdown.

The said loan is secured against:

Soneri Bank charge amounting to Rs. 267.00 million over fixed assets of the Company (land, building, plant and machinery including but not limited to sugar mill and power plant) duly registered with SECP. The facility shall also be secured against charge of Rs. 267.00 million on receivables of the Company specifically generated from power outlay 15+5 MW power plant. Further Corporate guarantee of Cane Processing (Pvt) Ltd.(Holding Company) and personal guarantee of the directors/sponsors of the Company.

	2018 Rupees	2017 Rupees
23 Liabilities against assets subject to finance lease-secured		
Opening balance	1,103,471	-
Add: Assets acquired during the year	-	1,811,360
	1,103,471	1,811,360
Less: Payments/adjustments	(464,348)	(707,889)
	639,123	1,103,471
Less: Current portion	(505,295)	(464,906)
Closing balance	133,828	638,565

23.1 The Company has entered into lease agreement with financial institution for vehicle. Lease rentals are payable on monthly basis and includes finance cost at the rate of 3 months Kibor plus 2.25 bps per annum (2017: 3 months Kibor plus 2.25 bps per annum), which has been used as discounting factor. The Company has the option to purchase the assets upon completion of lease period and has the intention to exercise such option.

23.2 The number of maximum / minimum monthly lease rentals payable are 15 and 1 respectively.

23.3A A reconciliation between the total future minimum lease payments and their present values at year end is as follows

2018	Minimum lease payments	Present value of minimum lease payments	Financial charges
Particulars	-----Amount in Rupees-----		
Due within one year	543,054	505,295	37,759
Due after one year but not later than 5 years	135,765	133,710	2,055
	678,819	639,005	39,814
2017			
Due within one year	539,880	464,906	74,974
Due after one year but not later than 5 years	674,850	638,565	36,285
	1,214,730	1,103,47	111,259

24 Long term advances

These interest free unsecured advances received from customers have been written off during the year.

25 Long term provision

This represents labor colony land at Jauharabad against which a case is pending with Housing and Physical Planning Department (PHATA), Jauharabad. On account of legal proceedings the management expects that the payment against this liability shall arise after September 30, 2019.

Notes to the Financial Statements

For the year ended September 30, 2018

	2018 Rupees	2017 Rupees
26 Deferred taxation		
Deferred tax liability on taxable temporary differences arising in respect of:		
Surplus on revaluation of related assets	211,471,290	233,468,009
Accelerated depreciation / amortization	159,374,423	138,508,628
Leased assets	357,936	462,849
Deferred tax asset on deductible temporary differences arising in respect of:		
Liabilities against assets subject to finance lease	(185,346)	(331,041)
Tax credits / Unused tax losses	(130,793,648)	(150,077,647)
	240,224,655	222,030,798

26.1 Movement in deferred tax balances is as follows:

At beginning of the year	222,030,798	8,834,346
Effect of rate change	7,782,267	(8,225,739)
Recognized in statement of profit or loss:		
-accelerated tax depreciation/amortization on fixed assets	20,865,794	(994,152)
-Incremental depreciation	(13,338,326)	13,304,164
-liabilities against assets subject to finance lease	40,783	131,807
Tax credits / Unused tax losses	19,283,999	45,588,700
	26,852,250	31,422,191
Recognized in statement of changes in equity:		
Disposal of fixed asset	(876,126)	-
	18,193,857	23,196,452
At end of the year	240,224,655	222,030,798

27 Share capital

2018 ------(Number)-----	2017		2018 ------(Rupees)-----	2017
27.1 Authorized share capital				
70,000,000	70,000,000	Ordinary shares of Rs. 10/- each	700,000,000	700,000,000
27.2 Issued, subscribed and paid-up capital				
873,180	873,180	Shares allotted on reorganization of Kohinoor Industries Limited of Rs.10/- each	8,731,800	8,731,800
125,008	125,008	Shares issued for cash of Rs. 10 each	1,250,080	1,250,080
7,963,824	4,254,210	Shares issued as fully paid bonus shares of Rs. 10/- each	79,638,240	42,542,100
7,905,650	7,905,650	Right shares of Rs. 10/- each	79,056,500	79,056,500
11,572,716	11,572,716	Issue of shares against loan from sponsors	115,727,160	115,727,160
28,440,378	24,730,764		284,403,780	247,307,640

28 Loan from sponsors

Loan from Sponsors	610,002,737	444,871,443
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28.1 This represents interest free loans provided to the Company by its Sponsors. These loans are agreed to be repayable at the Company's discretion which is intended to be exercised by the Company after 30th September 2019.

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Notes to the Financial Statements

For the year ended September 30, 2018

	Note	2018 Rupees	2017 Rupees
29 Revaluation surplus on property, plant and equipment - net of tax			(Restated)
Land		816,219,690	816,219,690
Buildings		100,592,998	100,592,998
Plant and machinery		855,042,404	855,042,404
		1,771,855,092	1,771,855,092
Less: Accumulated incremental depreciation		(223,402,933)	(177,408,707)
Less: Revaluation surplus on buildings disposed off		(3,021,124)	-
		1,545,431,035	1,594,446,385
Less: Deferred tax liability			
Opening balance		233,468,009	254,997,912
Effect of change in rate of tax		(7,782,267)	(8,225,739)
Disposal of fixed asset		(876,126)	-
Tax on Incremental depreciation for the year		(13,338,326)	(13,304,164)
		211,471,290	233,468,009
		1,333,959,745	1,360,978,376

30 Sales - net

Sugar - local		1,900,760,300	2,292,974,982
Sugar - export		250,337,713	210,704,815
		2,151,098,013	2,503,679,797
By products:			
-Molasses		143,058,191	215,067,659
-Mud		8,090,467	3,606,375
-Bagasse		144,600,012	119,432,893
		295,748,670	338,106,927
		2,446,846,683	2,841,786,724
Less:			
Federal excise duty		-	227,553,900
Sales tax		248,741,269	28,877,410
Commission on sale		3,065,700	3,368,000
		251,806,969	259,799,310
		2,195,039,714	2,581,987,414

31 Cost of sales

Sugarcane purchased and consumed		2,003,490,144	2,490,878,285
Salaries, wages and other benefits	31.1	105,138,214	99,052,018
Chemicals and stores consumed		25,419,897	24,621,852
Packing material consumed		16,937,471	17,607,752
Fuel		796,518	44,508
Power		11,976,274	9,042,002
Repairs and maintenance		57,105,037	47,273,537
Workers' welfare		3,348,878	3,870,227
Insurance		2,321,825	1,986,471
Vehicle running and maintenance		6,398,834	5,005,923
Travelling and conveyance		2,457,631	2,243,266
Carriage and freight		1,756,477	1,744,998
Rent rate and taxes		1,404,682	1,032,133
Printing and stationery		455,034	561,360
Depreciation	6.1.1	105,985,696	101,108,735

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Notes to the Financial Statements

For the year ended September 30, 2018

	Note	2018 Rupees	2017 Rupees
Amortization	7.3	173,567	219,387
Other factory expenses		1,202,712	1,554,518
		2,346,368,891	2,807,846,972
Opening work-in-process		1,958,426	1,999,239
Closing work-in-process		(1,929,396)	(1,958,426)
		29,030	40,813
Cost of goods manufactured		2,346,397,921	2,807,887,785
Opening stock of finished goods		554,452,628	28,433,222
Closing stock of finished goods		(751,517,045)	(554,452,628)
		(197,064,417)	(526,019,406)
		2,149,333,504	2,281,868,379

31.1 This includes a sum of Rs. 1,125,204 (2017: Rs. 992,734) relating to retirement benefits.

32 Distribution cost

Salaries, wages and other benefits	32.1	8,168,878	6,723,162
Communication		173,407	170,209
Vehicles running and maintenance		229,154	192,650
Miscellaneous		2,693,008	1,948,686
		11,264,447	9,034,707

32.1 This includes a sum of Rs. 80,372 (2017: Rs. 70,910) relating to retirement benefits.

33 Administrative expenses

Salaries, wages and other benefits	33.1	93,927,057	77,054,189
Staff welfare		3,293,000	3,903,209
Legal and professional charges		6,479,427	5,492,751
Rent, rate and taxes		4,087,750	4,160,227
Fuel and power		920,697	806,434
Vehicles running and maintenance		3,206,526	2,800,225
Travelling and conveyance		1,086,654	1,076,337
Printing and stationery		548,585	1,327,779
Telecommunication		596,040	577,220
Repair and maintenance		623,898	262,597
Postage and telegrams		204,130	239,467
Advertisement		273,800	369,035
Auditors' remuneration	33.2	1,559,250	1,513,000
Charity and donations	33.3	2,664,962	1,678,624
Depreciation	6.1.1	2,162,973	2,063,444
Amortization	7.2	3,542	4,477
Insurance		4,905,570	3,313,105
Miscellaneous		477,511	606,722
		127,021,372	107,248,842

33.1 This includes a sum of Rs. 803,717 (2017: Rs. 709,096) relating to retirement benefits.

33.2 Auditors' remuneration

Annual audit fee	420,000	400,000
Half yearly review	63,000	63,000
Tax consultancy fee	1,076,250	1,050,000
	1,559,250	1,513,000

33.3 The Company's directors or their spouses have no interest in any donation.

33.3.1 This includes donation made to Police Public School amounting to Rs. 700,000 for development purpose.

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Notes to the Financial Statements

For the year ended September 30, 2018

	Note	2018 Rupees	2017 Rupees
34 Finance cost			
Mark-up on long term loan from banking companies-secured		73,754	121,131
Mark-up on short term borrowings		131,636,247	117,875,887
Bank Commission on exports		936,416	1,329,248
Bank charges		5,414,523	5,115,254
		138,606,940	124,441,520

35 Other income

Long term advances written off		115,000,000	-
Loan from Sponsors written off		125,000,000	-
Creditors written off		573,804	-
Insurance claim received		26,595,940	-
Forfeited advances from customers		-	13,597,028
(Loss)/Gain on disposal of property, plant and equipment		(694,511)	340,021
Balances written off		-	(5,956,993)
Miscellaneous		2,129,064	512,267
Loss on foreign currency transaction		(103,700)	-
Provision for workers' profit participation fund		(1,893,002)	(3,394,314)
		266,607,595	5,098,009

36 Taxation

Income tax			
Current year	36.1	-	2,107,249
Prior year		3,999,039	(893,164)
		3,999,039	1,214,085
Deferred tax		26,852,250	31,422,191
		30,851,289	32,636,276

36.1 Tax calculated as per section 113 and tax liability on export of sugar has been adjusted against tax credits allowed under section 65-B.

36.2 The numerical reconciliation between the average tax rate and the applicable tax rate has not been presented in these financial statements, as the total income of the Company falls under section 113 of the Income Tax Ordinance, 2001.

36.3 The provision for current year tax represents tax on taxable income at the rate of 29%, net of tax credits. As per management assessment, the provision for tax made in the financial statements is sufficient. A comparison of last three years' of income tax provisions with tax assessment is presented below:

Particulars	Tax provision as per financial statements	Tax as per assessment
	----- (Amount in Rupees) -----	
Tax Years:		
2015	-	-
2016	7,483,672	-
2017	2,107,249	-

36.4 As referred in note 47 to the financial statements, the Board of Directors in their meeting has recommended sufficient cash dividend for the year ended 30 September 2018 which complies with the requirements of section 5A of the Income Tax Ordinance, 2001. Accordingly, no provision for tax on non-distribution of dividend has been recognized in these financial statements for the year ended 30 September 2018.

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Notes to the Financial Statements

For the year ended September 30, 2018

		2018 Rupees	2017 Rupees
37 Earning per share			
37.1 Earning per share - basic			
Profit after taxation attributable to members	Rupees	5,115,757	31,855,699
Weighted average number of ordinary shares	Number	22,759,079	11,528,067
Earning per share - basic	Rupees	0.22	2.76

37.2 Earning per share - diluted

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

38 Effect of prior year error adjustment

Deferred tax amounting to Rs. 11.88 millions was excess recorded and effect of rate change was not erroneously accounted for correctly by the company. The correction of this error is now accounted for retrospectively, and the comparative information has been restated. The error has been corrected in each of the effected financial statements line items for the prior periods. The movement of amounts presented in the previous financials statements and the restated numbers are as follows:

	As at September 30, 2017			As at September 30, 2016		
	As previously reported	Re-statement	As re-stated	As previously reported	Re-statement	As re-stated
Effect on statement of financial position:						
Deferred tax liability	247,816,628	(25,785,830)	222,030,798	216,394,437	(17,560,091)	198,834,346
Revaluation surplus	1,335,192,546	25,785,830	1,360,978,376	1,366,235,596	17,560,091	1,383,795,687

39 Remuneration of Chief Executive, Director and Executives

The aggregate amount charged in the financial statements for the year for remuneration, including all benefits, to the Chief executive, Directors and Executives of the Company is as follows:

	Directors						Executives	
	Chief Executive		Executive Director		Non Executive Directors		2018	2017
	2018	2017	2018	2017	2018	2017	2018	2017
	(Rupees)							
Managerial remuneration	-	-	-	-	-	-	692,632	26,020,500
Utilities	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	692,632	26,020,500
Number of key executives/ non executives	* 1	* 1	1	1	6	6	6	29

* The Chief executive hold 5,500 shares of the Company.

39.1 Executives are employees whose basic salaries exceed Rs. 1.2 million (2017: 0.5 million) in a financial year.

39.2 The Chief Executive and Directors have voluntarily forgone their remuneration and allowances since 2015.

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Notes to the Financial Statements

For the year ended September 30, 2018

40 Operating segments

- 40.1 These financial statements have been prepared on the basis of single reportable segment.
 40.2 Revenue from sale of sugar represents 88.29 % (2017: 88.15 %) of the total revenue of the Company.
 40.3 The Company sold sugar only in Afghanistan other than Pakistan and revenue of sugar from continuing operations from external customers based on geographical areas is 12.92% (2017: 9.26%).
 40.4 Sale of sugar includes 87.08% (2017: 90.74%) relates to customers in Pakistan.
 40.5 All non-current assets of the Company as at September 30, 2018 are located in Pakistan.

41 Financial risk management

The Company has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

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

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

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

41.1 Credit risk and concentration of credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. To manage credit risk the Company maintains procedures covering the application for credit approvals, granting and renewal of counterparty limits and monitoring of exposures against these limits. As part of these processes the financial viability of all counterparties are regularly monitored and assessed.

41.1.1 Exposure and concentration to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The Company identifies concentration of credit risk by type of counter party. Maximum exposure to credit risk as at the end of the reporting period was as follows:

	2018 Rupees	2017 Rupees
Financial Assets		
Long term deposits	664,000	264,000
Trade debts	327,298,561	1,366,352
Loans and advances	64,116,009	32,311,453
Trade deposits, short term prepayments	2,542,253	525,474
Other receivables	47,358,382	23,017,216
Bank balances	46,167,537	26,819,135

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Notes to the Financial Statements

For the year ended September 30, 2018

41.1.2 Credit quality and impairment

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or to historical information about counterparty default rates. All counterparties, with the exception of customers, have external credit ratings determined by various credit rating agencies. Credit quality of customers is assessed by reference to historical default rates and present ages.

The Company has placed its funds with banks which are rated A1+ and A-1 by PACRA and JCR where applicable.

The Company's policy is to deal only with credit worthy counterparties.

The Company continually monitors the credit quality of its receivables and provides for any impairment. The Company is not exposed to any substantial credit risk that has not been provided for.

41.2 Liquidity Risk

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

The Company's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

41.2.1 Exposure to liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at year end.

2018	Carrying amount	Contractual cash flows	Less than 1 year	More than 1 year but less than 5 year
	-----Amount in Rupees-----			
Long-term finances	327,577,733	327,577,733	58,699,872	268,877,861
Liabilities against assets subject to finance lease	639,123	639,123	505,295	133,828
Unclaimed dividend	1,043,060	1,043,060	1,043,060	-
Trade and other payables	67,744,727	67,744,727	67,744,727	-
Mark-up accrued	52,196,770	52,196,770	52,196,770	-
Short term borrowings	1,113,958,063	1,113,958,063	1,113,958,063	-
2017	Carrying amount	Contractual cash flows	Less than 1 year	More than 1 year but less than 5 year
	-----Amount in Rupees-----			
Long-term finances	168,158,417	168,158,417	9,495,161	158,663,256
Liabilities against assets subject to finance lease	1,103,471	1,103,471	464,906	638,565
Trade and other payables	25,213,644	25,213,644	25,213,644	-
Unclaimed dividend	797,754	797,754	797,754	-
Mark-up accrued	16,490,990	16,490,990	16,490,990	-
Short term borrowings	407,655,600	407,655,600	407,655,600	-

The Company's current ratio is 1.01. The Company arranged facility from different conventional and Islamic financial institutions to meet its working capital requirements.

41.3 Market Risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices, will effect the Company's income or the value of its holdings of financial instruments.

41.3.1 Currency risk

The Company is exposed to minimal currency risk at the year.

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Notes to the Financial Statements

For the year ended September 30, 2018

41.3.2 Interest rate risk

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

	Effective interest rate		Carrying amount	
	2018 Percentage	2017 Percentage	2018 Rupees	2017 Rupees
Financial liabilities				
Variable rate instruments				
Long term finances	8.92% to 10.93%	9.01% to 9.15%	327,577,733	168,158,417
Short term borrowings	8.00% to 10.01%	12.02% to 13.29%	1,113,958,063	407,655,600
Liabilities against assets subject to finance lease	8.03% to 8.2%	7.83% to 7.90%	639,123	1,103,471

The Company's total borrowing as mentioned above is vulnerable to changes in KIBOR rate.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2017.

	Profit and loss 100 bp Increase	decrease
As at 30 September 2018		
-Cash flow sensitivity-Variable rate financial liabilities	(1,317,099)	1,317,099
As at 30 September 2017		
-Cash flow sensitivity-Variable rate financial liabilities	(1,256,714)	1,256,714

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and assets / liabilities of the Company.

41.3.3 Capital risk management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern;
- to provide an adequate return to shareholders; and
- to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure which comprises capital and reserves by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, appropriation of amounts to capital reserves or/and issue new shares.

Consistent with others in the industry, the Company manages its capital risk by monitoring its debt levels and liquid assets and keeping in view future investment requirements and expectations of the shareholders. Debt is calculated as total borrowings ("long term loan" and "short term borrowings" as shown in the statement of financial position). Total capital comprises shareholders' equity as shown in the statement of financial position under "share capital and reserves".

The salient information relation to capital risk management of the Company as of year ends were as follows:

	2018 Rupees	2017 Rupees
The gearing ratio is as follows:		
Debt	1,382,969,752	566,957,421
Equity	801,020,504	787,979,611
Total capital employed	2,183,990,256	1,354,937,032
Gearing ratio	63%	42%

The Company is highly geared comparatively

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Notes to the Financial Statements

For the year ended September 30, 2018

41.3.4 Accounting classifications and fair values

Carrying amount- 30 September 2018		
Loans and receivables at amortized cost	Financial liabilities at amortized cost	Total

-----Amount in Rupees-----

Financial assets measured at amortized cost

Long term deposits	664,000	-	664,000
Trade debts	327,298,561	-	327,298,561
Loan and advances	31,130,289	-	31,130,289
Other receivables	47,358,382	-	47,358,382
Bank balances	46,167,537	-	46,167,537
	452,618,769	-	452,618,769

Financial liabilities measured at amortized cost

Long term finances	-	327,577,733	327,577,733
Liabilities against assets subject to finance lease	-	639,123	639,123
Trade and other payables	-	67,744,727	67,744,727
Accrued mark up	-	52,196,770	52,196,770
Short term borrowings	-	1,113,958,063	1,113,958,063
	-	1,562,116,416	1,562,116,416

Carrying amount- 30 September 2017		
Loans and receivables at amortized cost	Financial liabilities at amortized cost	Total

-----Amount in Rupees-----

Financial assets measured at amortized cost

Long term deposits	264,000	-	264,000
Trade debts	1,366,352	-	1,366,352
Loan and advances	25,126,039	-	25,126,039
Other receivables	23,017,216	-	23,017,216
Bank balances	26,819,135	-	26,819,135
	76,592,742	-	76,592,742

Financial liabilities measured at amortized cost

Long term finances	-	168,158,417	168,158,417
Liabilities against assets subject to finance lease	-	1,103,471	1,103,471
Trade and other payables	-	25,213,644	25,213,644
Accrued mark up	-	16,490,990	52,196,770
Short term borrowings	-	407,655,600	407,655,600
	-	618,622,122	618,622,122

The above mentioned financial assets and liabilities are measured at amortized cost. So, the fair value at its respective level has not been considered while presenting the analysis.

Notes to the Financial Statements

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42 Reconciliation of movement of liabilities to cash flows arising from financing activities

	Issued subscribed and paid-up capital	Share premium	Dividend payable	Long term financing	Liabilities against assets subject to finance lease -secured	Short term Borrowing	Accrued Markup	Total
-----Amount in Rupees-----								
As at 01 October 2017	247,307,640	466,379,523	797,754	168,158,417	1,103,471	407,655,600	16,490,990	1,307,893,395
Changes from financing cash flows								
Proceeds from issuance of bonus shares	-	-	-	-	-	-	-	-
Dividend paid	-	-	(24,485,458)	-	-	-	-	(24,485,458)
Proceeds from short term borrowings-net	-	-	-	-	-	706,302,463	-	706,302,463
Financial charges paid	-	-	-	-	-	-	(127,033,432)	(127,033,432)
Proceeds from long term borrowings-net	-	-	-	159,419,316	-	-	-	159,419,316
Payment of finance lease liabilities	-	-	-	-	(540,929)	-	-	(540,929)
Total changes from financing cash flows	247,307,640	466,379,523	(23,687,704)	327,577,733	562,542	1,113,958,063	(110,542,442)	2,021,555,355
Other Changes								
Dividend declared	-	-	24,730,764	-	-	-	-	24,730,764
Interest expense	-	-	-	-	76,581	-	138,060,940	138,137,521
Issuance of Bonus shares	37,096,140	(37,096,140)	-	-	-	-	-	-
Markup capitalized	-	-	-	-	-	-	24,678,272	24,678,272
Total liability related to other changes	37,096,140	(37,096,140)	24,730,764	-	76,581	-	162,739,212	187,546,557
As at 30 September 2018	284,403,780	429,283,383	1,043,060	327,577,733	639,123	1,113,958,063	52,196,770	2,209,101,912

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43 Number of employees	2018 Number	2017 Number
Average number of employees for the year		
Plant	790	728
Head Office	9	8
	799	736
Total number of employees at year end		
Plant	573	523
Head Office	9	8
	582	531

44 Plant capacity and production	M.Ton	M.Ton
Cane crushing capacity	1,040,000	1,040,000
Cane crushed	441,646	546,857
Sugar production	42,847	53,972

44.1 The cane crushing capacity is based on crushing capacity of line-II, which is currently in operation.

44.2 The cane crushing capacity is based on 131 days.

44.3 Shortage in capacity utilization is due to that in current year previously non-functional mills have become operative in the region in addition to a low yield of sugarcane crop with lesser sucrose content caused by adverse climatic conditions.

45 Related party transactions / balances

The related parties comprise directors of the Company, key employees, provident fund trust, associated undertakings and subsidiary company. Details of transactions with related parties, other than those which have been specially disclosed elsewhere in these financial statements are as follows:

Party name and relationship	Relationship and percentage of shareholding	Transaction during the year and year end balances	2018 Rupees	2017 Rupees
-----------------------------	---------------------------------------------	---------------------------------------------------	----------------	----------------

Associated Company

Cane Processing Private Limited	Holding company holds 63.63 % (2017: 63.63 %) share capital	Loan received during the year	151,000,000	-
		Loan repaid during the year	18,501,650	465,497
		Loan adjusted/converted into shares	-	430,650,420
		Amount payable at year end	141,045,146	8,546,796
Radiant Power Private Limited	The company has been wound up during the year and shareholding in the said company was 59.9 %.	Expenses paid during the year on behalf of the company	26,697	11,600
		Expenses written off during the year	682,002	-
		Amount receivable at year end	-	655,305

Staff retirement benefit plan

Employee benefit-Provident Fund Trust	Employee benefit fund	Provident fund contribution	2,023,235	1,772,740
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All transactions with related parties have been carried out on commercial terms and conditions.

46 Disclosure relating to Provident Fund Trust	Unit	2018 Rupees	2017 Rupees
The following information is based on the financial statements of Provident Fund Trust.		Un-audited	Audited
Size of fund - total assets	Rupees	29,187,083	26,310,270
Cost of investments made	Rupees	25,050,000	24,050,000
Percentage of investments made	Percentage	85.83%	91.41%
Fair value of investment	Rupees	25,050,000	24,050,000

Annual Report 2018

Notes to the Financial Statements

For the year ended September 30, 2018

The breakup of fair value of investments is as follows:

	2018		2017	
	Rupees	Percentage	Rupees	Percentage
Defence Saving Certificates	25,050,000	85.83%	24,050,000	91.41%
	25,050,000	85.83%	24,050,000	91.41%

The investments of the Provident Fund Trust are in compliance with the provision of section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

47 Non adjusting events after the statement of financial position date

The Board of Directors of the Company in its meeting held on December 28, 2018 has proposed a final cash dividend of Re.1 per share, for the year ended September 30, 2018 for approval of members in the Annual General Meeting to be held on January 28, 2019.

48 Date of authorization for issue

These financial statements were authorized for issue on December 28, 2018 by the Board of Directors of the Company.

49 General


49.1 Figures have been rounded off to the nearest rupee.

49.2 Corresponding figures have been reclassified and rearranged where necessary.

Lahore:
December 28, 2018



Ghias-UI-Hassan
Chief Executive Officer



Amjad Bashir Hussain
Director



Imran Ilyas
Chief Financial Officer

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Definition and Glossary of Terms

As at September 30, 2018

Sugar

Sugar, once a “white-gold”, is the generic name for sweet-tasting. Sugar cane and sugar beets are the common sources of this sweetener, soluble carbohydrates which are used in food.

Molasses

Molasses is thick, dark brown juice obtained from raw sugar during the refining process

Bagasse

Bagasse is the dry pulpy residue left after the extraction of juice from sugarcane.

Mud

Mud is produced during distribution of process flow to sugar production.








ABPL	AI Baraka Bank (Pakistan) Limited	IFRS	International Financial Reporting Standards
ACT	Alternate Corporate Tax		
AGM	Annual General Meeting	JSML	Jauharabad Sugar Mills Limited
ATIR	Appellate Tribunal Inland Revenue	KIBOR	Karachi Inter Bank Offer Rate
ATL	Active Taxpayer List	KPK	Khyber Pakhtunkhwa
BMR	Balancing, Modernization and Rehabilitation	LTL	Long Term Loan
		MT	Metric Tons
CCG	Code of Corporate Governance	NBFI	Non-Bank Financial Institution
CDC	Central Depository Company	NTN	National Tax Number
CDS	Central Depository System	PSX	Pakistan Stock Exchange Limited
CEO	Chief Executive Officer	R&D	Research and Development
CFO	Chief Financial Officer	ROE	Return on Equity
CNIC	Computerized National Identity Card	SECP	Securities and Exchange Commission of Pakistan
CPL	Cane Processing (Pvt) Limited		
CSR	Corporate Social Responsibility	SRO	Statutory Regulation Order
CY	Cane Crushing Year	STL	Short Term Loan
DFI	Development Finance Institution	TCD	Total Crushing Per Day
DM	Diminishing Musharka	USD	United States Dollar
EBIT	Earnings Before Interest and Tax	WPPF	Workers' Profit Participation Fund
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization		
EOGM	Extra Ordinary General Meeting		
FBR	Federal Board of Revenue		
FED	Federal Excise Duty		
FESCO	Faisalabad Electric Supply Company		
FY	Financial Year		
HR & RC	Human Resource and Remuneration Committee		
HSE	Health, Safety and Environment		
IASB	International Accounting Standards Board		
ICAP	Institute of Chartered Accountants of Pakistan		
IFAC	International Federation of Accountants		
IFRIC	International Financial Reporting Interpretations Committee		










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چیرمین کا جائزہ

میں جو ہر آباد شوگر ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی چیرمین شپ سونپے جانے کو ایک امتیاز اور بہت بڑا اعزاز خیال کرتا ہوں۔ میں نے اپنی تمام تر قابلیتوں کے ساتھ کمپنی کی ترقی کی جانب بڑھانے کیلئے بہت اہم کردار ادا کرنے کا عزم کیا ہے۔ یہ سال شاید بہت ہی مشکلات کا سال رہا، کیونکہ شوگر سیکٹر کو عالمی سطح پر پادتی کا سامنا کرنا پڑا۔ پاکستان کی شوگر صنعت نے مقامی مشکلات کا بھی سامنا کیا جس میں بمپر پیداوار، بے ترتیب انوینٹری، متغیر ماحولیاتی حالات اور پانی کی قلت شامل ہیں۔ تاہم، کمپنی بنیادی طور پر مسابقتی ماحول کے تحت فروختی حکمت عملی میں چلک، سخت لاگت کنٹرول، کمپنی کی مسلسل شفافیت اور اچھی گورننس کو یقینی بنانے کے علاوہ گئے کی ہموار فراہمی کے لئے پیداواری سہولیات اور حوصلہ افزاء کسانوں کی اصلاحات اور توازن کی وجہ سے منافع درج کرنے میں کامیاب ہوئی۔

اس سال، کمپنی نے اضافی چینی برآمد کرنے کے لئے حکومت پاکستان کے بنیادی اقدام کے ذریعے ملک کے غیر ملکی زرمبادلہ کے ذخائر میں 1.682 ملین امریکی ڈالر سے زائد رقم کا حصہ بھی شامل کیا اور ٹیکس اور لیویز کے طور پر قومی خزانہ میں 280.467 ملین روپے سے زائد کا اضافہ کیا ہے۔

مجھے یہ بیان کرتے ہوئے بہت خوشی ہے کہ کمپنی کے بورڈ آف ڈائریکٹرز کی کارکردگی سال بھر میں بہت عمدہ رہی۔ بورڈ کی تشکیل سیزن پورٹ فولیو، باقاعدگی سے اسٹریٹجک رہنمائی میں حصہ لینے، نیا معیار بنانے، بجٹ کو منظور کرنے، قابل ٹیم کو یقینی بنانے، خطرات کو کم کرنے کی حکمت عملی کو فروغ دینے، متنوع حکمت عملی کو نافذ کرنے کے اختلاط کو ظاہر کرتی ہے، جبکہ اس کے حصص داروں کو مستحکم ویلویو ایڈیشن فراہم کرنے کے علاوہ اچھی گورننس کی اپنی شہرت کو برقرار رکھتی ہے۔ سال بھر میں تمام اہم مسائل کارپوریٹ فیصلہ سازی کے عمل کو مضبوط اور رسمی بنانے کے لئے بورڈ اور اس کی کمیٹیوں کے روبرو پیش کئے گئے، جو انتظامیہ کے ساتھ ہم آہنگ شراکت داری کو ظاہر کرتے ہیں۔

آخر میں، ہم جو ہر آباد شوگر ملز لمیٹڈ کے ساتھ منسلک ہر شخص کی طرف سے کی گئی سخت محنت اور لگن کو سراہتے ہیں جن کی وجہ سے ہم اعلیٰ درجہ پر فائز ہیں اور صارفین برانڈ کے لئے "کوہ نور" کا انتخاب کرتے ہیں۔ ہم یقین دلاتے ہیں کہ ہم کامیابی کے راستے پر ہیں گے اور پائیدار ترقی حاصل کریں گے۔

جناب عامریک

لاہور: 28 دسمبر، 2018

چیرمین

سال کے لئے ریٹائر ہونے والے آڈیٹرز کی دوبارہ تقرری کی سفارش کی ہے۔

ڈون مشن اور مجموعی کارپوریٹ حکمت عملی

بورڈ آف ڈائریکٹرز نے آپ کی کمپنی کے ڈون، مشن اور مجموعی کارپوریٹ حکمت عملی کا بغور جائزہ لیا اور منظوری دی ہے اور یقین کرتے ہیں کہ یہ نظریات کو وسیع پیمانے پر غماہر کرتی ہے جس پر جوہر آباد شوگر مل قائم ہوئی تھی۔ ہم اس بات کو یقینی بناتے ہیں کہ ہمارا ڈون اور مشن ہماری مجموعی کارپوریٹ حکمت عملی اور ہر کام جو ہم تمام سطحوں پر کرتے ہیں میں ہمارے مستقبل کے سفر کی سمت قائم کرتا ہے۔ پوری تنظیم اس مقصد سے منسلک ہے اور اس کے لئے کام کرتی ہے اور یہ ہمارے روزمرہ کے کاروبار میں اہم فیصلہ سازی کے معیار کے طور پر کام کرتی ہے۔

کارپوریٹ گورننس کے ضابطے کی تعمیل

کمپنی کی انتظامیہ اچھے کارپوریٹ گورننس اور اس کے بہترین طریقوں پر عمل کرنے کے لئے پُر عزم ہے۔ جیسا کہ کارپوریٹ گورننس قوانین کے تحت درکار ہے، کمپنی کے آڈیٹرز خوشی سے بیان کرتے ہیں کہ۔

مالیاتی حسابات کی پیشکش

کمپنی کی طرف سے تیار کردہ مالی حسابات، اس کے امور، آپریشنز کے نتائج، نقدی کا بہاؤ اور ایکٹیو میں تبدیلیوں کو منصفانہ طور پر پیش کرتے ہیں۔

کھاتہ جات

موجودہ سال اور گزشتہ سالوں کے لئے کمپنی کے کھاتہ جات قابل اطلاق قواعد میں کے مطابق صحیح طور تیار کئے گئے ہیں۔

اکاؤنٹنگ پالیسی

مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسی کو مستقل لاگو کیا گیا ہے اور اکاؤنٹنگ کا تخمینہ مناسب اور پرکشش فیصلہ دہی ہے۔

بین الاقوامی اکاؤنٹنگ معیارات

مالیاتی حسابات کی تیاری میں پاکستان میں قابل اطلاق بین الاقوامی مالیاتی رپورٹنگ معیارات کی پیروی کی گئی ہے، جو کمپنی کی مالی حیثیت کے حقیقی اور منصفانہ جائزہ کو یقینی بناتی ہے۔

داخلی کنٹرول سسٹم

داخلی کنٹرول کا نظام ڈیزائن میں مستحکم ہے اور مؤثر طور پر لاگو کیا گیا اور مسلسل نگرانی کی جارہی ہے۔ کنٹرول میں مؤثر عملدرآمد اور مستقبل کی ترقی کے لئے آڈٹ کمپنی کی طرف سے جائزہ کا مکمل جاری رہے گا۔

حالیہ توثیق

حالیہ توثیق کے طور پر جاری رہنے کے لئے کمپنی کی صلاحیت پر کوئی اہم شک و شبہات نہیں ہیں۔

مالیاتی جھلکیاں

گزشتہ سات سالوں کے لئے اہم آپریٹنگ اور مالیاتی اعداد و شمار صفحہ نمبر 70 پر شامل ہیں۔

مملکتی ریٹائرمنٹ کی قدر کا بیان

30 ستمبر 2018 کے غیر نظر ثانی شدہ حسابات پر پوائنٹ فنڈ کی سرمایہ کاری کی منصفانہ قدر 27.59 ملین روپے [مالیاتی سال 2017: 24.13 ملین روپے] ہے۔

30 ستمبر 2018 کو ختم ہونے والے سال کے لئے کمپنی کے لئے قابل اطلاق پاکستان اسٹاک ایکسچینج کے فہرستی قواعد میں تفصیلی، کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی انحراف نہیں کیا گیا ہے۔

نمونہ حصص داری

30 ستمبر 2018 کو کمپنیز آرڈیننس 1984 اور کارپوریٹ گورننس کے ضابطے کے مطابق کمپنی کا نمونہ حصص داری منسلک ہے۔

بورڈ آف ڈائریکٹرز کے اجلاس

کمپنی کے آپریشن کی شفافیت، اچھی گورننس اور ہموار کام کو یقینی بنانے کے لئے، کمپنی نے بورڈ آف ڈائریکٹرز کی اہلیت، تجربے اور ساخت کے ساتھ ساتھ بورڈ کی ذمہ داریوں کے بارے میں آگاہی کے سلسلے میں ریگولیٹری فریم ورک نافذ کیا ہے۔ 7 ڈائریکٹرز پر مشتمل بورڈ مؤثر طریقے سے حصص داران کے مفادات کی نمائندگی کرتا ہے۔ تمام ڈائریکٹر اہل اور تجربہ کار ہیں، جو بورڈ کو مؤثر اور کارآمد فیصلہ کرنے کے قابل بناتا ہے۔ مالی سال 2017-18 کے دوران بورڈ آف ڈائریکٹرز کے چار اجلاس منعقد ہوئے۔ ہر ایک ڈائریکٹر کی طرف سے حاضری درج ذیل تھی:

نمبر شمار	نام ڈائریکٹر	عہدہ	تعداد حاضری
1	جناب غیاث الحسن	چیف ایگزیکٹو/ایگزیکٹو ڈائریکٹر	4/4
2	جناب سیف الرحمان	ڈپٹی چیف/غیر ایگزیکٹو ڈائریکٹر	2/4
3	جناب امجد بشیر حسین	آزاد/غیر ایگزیکٹو ڈائریکٹر	3/4
4	جناب امجد جاوید آفتاب	ڈپٹی چیف/غیر ایگزیکٹو ڈائریکٹر	2/4
5	جناب شاہ رخ تیمور	ڈپٹی چیف/غیر ایگزیکٹو ڈائریکٹر	1/4
6	جناب فرحان الیاس	ڈپٹی چیف/غیر ایگزیکٹو ڈائریکٹر	3/4
7	جناب محمد عامر بیگ	ڈپٹی چیف/غیر ایگزیکٹو ڈائریکٹر	4/4
8	جناب ہمال احمد	ڈپٹی چیف/غیر ایگزیکٹو ڈائریکٹر	3/4

سال کے دوران بورڈ آف ڈائریکٹر میں پراپیٹیٹ خالی آسامی 90 دن کی اختتامی مدت سے پہلے کمپنی کی طرف سے باقاعدہ کی گئی۔ ڈائریکٹرز جو بورڈ کے اجلاس میں شرکت نہیں کر سکتے تھے اور چھٹی کی درخواست گذاری ان کو قانون کے مطابق بورڈ کی طرف سے اجلاس میں غیر حاضری کی چھٹی دی گئی۔

آڈٹ کمپنی

کارپوریٹ گورننس کے ضابطے کے مطابق بورڈ آف ڈائریکٹرز نے آڈٹ کمپنی تشکیل دی ہے۔ مالی سال 2017-18 کے دوران کمپنیز ایکٹ 2017 کی ضروریات کے مطابق آڈٹ کمپنی کے چار اجلاس منعقد ہوئے۔ متعلقہ ایکٹ کے تحت درکار تمام متعلقہ معاملات زیر غور لائے گئے۔ ہر ایک رکن کی حاضری مندرجہ ذیل تھی:

نمبر شمار	نام	عہدہ	تعداد حاضری
1	جناب امجد بشیر حسین	چیئر مین	4/4
2	جناب محمد عامر بیگ	رکن	3/4
3	جناب سیف الرحمان	رکن	3/4

انسانی وسائل کی کمپنی

قابل اطلاق ضوابط کے مطابق بورڈ آف ڈائریکٹرز نے انسانی وسائل کی کمپنی تشکیل دی ہے۔ مالی سال 2017-18 کے دوران، ملازمین کی انگریجمنٹ اور بونس کی منظوری کے لئے انسانی وسائل کی کمپنی کا ایک اجلاس منعقد ہوا۔ ہر ایک رکن کی حاضری مندرجہ ذیل تھی:

نمبر شمار	نام	عہدہ	تعداد حاضری
1	جناب فرحان الیاس	چیئر مین	1/1
2	جناب جمال احمد	رکن	1/1
3	جناب غیاث الحسن	رکن	1/1

سی ایف او اور داخلی آڈٹ کے سربراہ کی اہلیت

چیف فنانشل آفیسر اور داخلی آڈٹ کے سربراہ کارپوریٹ گورننس کے ضابطے میں مقرر کردہ ضروری اہلیتیں اور تجربہ رکھتے ہیں۔

کمپنی کے حصص میں لین دین/تجارت

بورڈ نے ایک پالیسی ترتیب دی ہے کہ پاکستان میں فہرستی قواعد کے مطابق کوئی شخص داخلی تجارت نہیں کرے گا۔ مالی سال کے دوران، کمپنی کے حصص میں کسی ایک ڈائریکٹر سی ای او، سی ایف او، داخلی آڈٹ کے سربراہ اور کمپنی سکریٹری کی طرف سے کوئی بھی تجارت نہیں ہوئی ہے۔

بقایا قانونی ادائیگیاں

ٹیکس، ڈیوٹیجز اور چارجز کی مد میں بقایا قانونی ادائیگیاں کا بیلنس شیٹ کے پہلے صفحہ اور مالی حسابات کے نوٹ 15 میں اکشاف کیا گیا ہے۔ ٹیکس بورڈ پوٹینشل مد میں کوئی زائد لمعیہ ادواجب رقم نہیں ہے۔

پاکستان سے باہر ڈائریکٹرز کا اجلاس

موجودہ مالی سال کے دوران پاکستان سے باہر کمپنی کا کوئی اجلاس منعقد نہیں ہوا۔

کارپوریٹ سماجی ذمہ داری

کمپنیز (کارپوریٹ سماجی ذمہ داری) جرنل آرڈر 2009 کے تحت ضروری اکشاف منسلک ہے اور صفحہ نمبر پراس رپورٹ کا لازمی حصہ ہے۔

متعلقہ پارٹی کے ساتھ لین دین

کمپنی نے اس سالانہ رپورٹ سے منسلک اپنے مالی حسابات میں متعلقہ پارٹی کے ساتھ لین دین کے بارے تفصیلی اکشافات کئے ہیں۔ ایسا اکشاف کمپنیز ایکٹ 2017 کے چوتھے شیڈول اور قابل اطلاق بین الاقوامی مالی رپورٹنگ معیارات کی ضروریات کے مطابق ہے۔ اس کے علاوہ، کمپنی نے اپنے متعلقہ پارٹی لین دین کو حصص داران کی منظوری حاصل کرنے کے لئے سالانہ اجلاس عام میں پیش کرنے کا بھی فیصلہ کیا ہے۔

اعزازات اور اظہار تعلق

کمپنی کے ڈائریکٹرز کمپنی کے حصص داران، مالی اداروں اور کارگوں کی طرف سے مسلسل تعاون، حوصلہ افزائی اور حمایت کے لئے ان کے مخلص رویہ کا شکریہ ادا کرتے ہیں۔ ڈائریکٹرز کمپنی کے تمام ملازمین کی لگاتار کوششوں اور وقف خدمات، ٹیم ورک، وفاداری اور ذمہ داری کو بھی سراہتے ہیں اور امید کرتے ہیں کہ جاری لگن کمپنی کو مزید مضبوط بنائے گی اور اسے مستقبل کی ڈیولپمنٹ اور مطالبات کا سامنا کرنے کے رکھے گی۔

مالی سال جس سے اس بیلنس شیٹ کا تعلق ہے کے اختتام اور ڈائریکٹر کی رپورٹ کی تاریخ کے درمیان آپ کی کمپنی کی مالی حیثیت پر اثر انداز ہونے والی کوئی مادی تبدیلیاں اور وعدے درمیان نہیں ہوئے ہیں۔

منجانب بورڈ

غیاث الحسن، چیف ایگزیکٹو

آڈیٹرز
کمپنی کے موجودہ بیرونی آڈیٹرز میسرز یو ایچ وائی حسن انجینئرنگ، چارٹرڈ اکاؤنٹنٹس سالانہ اجلاس عام کے اختتام پر ریٹائر ہو جائیں گے اور دوبارہ تقرری کے اہل ہیں۔ بورڈ نے اگلے سالانہ اجلاس عام میں اراکین کی منظوری کے حوالے سے آڈٹ کمپنی کی تجویز کے مطابق 30 ستمبر 2019 کو ختم ہونے والے

تفصیلات	مالی سال 2018	مالی سال 2017	YOY تبدیلی
فروخت - خالص	2,195,040	2,581,987	(14.99%)
فروخت کی لاگت	2,149,334	2,281,868	(5.81%)
مجموعی منافع	45,706	300,119	(84.77%)
فروخت اور تقسیم کے اخراجات	11,264	9,035	24.68%
انتظامی اور عمومی اخراجات	127,021	107,249	18.44%
آپریٹنگ منافع	(92,579)	183,835	(150.36%)
دیگر آپریٹنگ آمدنی	(266,608)	(5,098)	5,129%
مالیاتی اخراجات	138,061	124,442	10.94%
ٹیکس سے قبل منافع	35,967	64,492	(44.23%)
ٹیکسیشن	30,851	32,636	(5.47%)
ٹیکس کے بعد منافع	5,116	31,856	(83.94%)
آمدنی فی شیئر (روپے / شیئر)	0.22	2.76	(92.03%)

اس سال کمپنی نے اگلے مالی سال کی پہلی سہ ماہی میں پانچ سو ہزار ٹن چینی کی برآمد سے کمپنی کو متوقع قیمت کا فائدہ اٹھانے کا اہل بنانے کیلئے 35.04 فیصد چینی کا اسٹاک (مالی سال 2017: 20.66 فیصد) آگے لے جانے کی منصوبہ بندی کی ہے جس کے نتیجے میں YOY بنیاد پر فروخت میں 12.73 فیصد کی اور بلند ترین نمونوں میں مجموعی 14.99 فیصد کی (مالی سال 2017: 23.17 فیصد اضافہ) ظاہر کر رہی ہے۔ دستیاب وسائل کے زیادہ سے زیادہ استعمال سے متعلق اخراجات کو مجموعی طور پر کم کیا گیا ہے جس کے نتیجے میں 2.08 فیصد مجموعی منافع [مالی سال 2017: 11.62 فیصد] ہوا۔ مدت کے لئے کل مجموعی آمدنی 37.772 ملین روپے [مالی سال 2017: 62.899 ملین روپے] ہے۔ مالیاتی کارکردگی کے نتیجے میں 0.22 روپے فی شیئر آمدنی حاصل ہوئی، جبکہ گزشتہ مالی سال میں 2.76 روپے فی شیئر آمدنی حاصل ہوئی تھی۔ مارکیٹ کا منظر نامہ صنعت میں موجودہ اور حکومتی پالیسیوں خاص طور پر برآمدات کی منظوری میں تاخیر کے نئی اثرات، کمپنی کی مالیاتی کارکردگی کی گنجائش میں 83.94 فیصد کی کمی کے اہم عوامل ہیں۔ مالی سال کے دوران، کمپنی نے بنیادی طور پر کسٹمر اور سپائیکر کی حمایت کے لئے واجبات کی ادائیگی کی وجہ سے 266.49 ملین روپے (مالی سال 2017: 5.1 ملین روپے) کی دیگر آمدنی کا اعلان کیا ہے۔

مستقبل کے امکانات

آمدنی کی کثیر تریننگ اب کاروبار کے استحکام کے لئے ایک اہم عنصر سمجھا جاتا ہے۔ اپنے حریفوں پر پائیدار فائدہ اٹھانے کے بدلے میں، کمپنی متنوع حکمت عملی کے مطابق، کمپنی نے نیو ماس (بیگاس) کی بنیاد پر 15 میگا واٹ، اپ فریٹ مقررہ ٹریف کے ساتھ کمپیوٹر پاور پلانٹ کے نظام کے تحت فیسکو کو 8-10 میگا واٹ بجلا کر آمد کرنے کے لئے معاون جزئی پاور پلانٹ نصب کرنے کا انتخاب کیا۔ ابتدائی طور پر یہ منصوبہ کھلی خرید کے معاہدے کے تحت تجارتی پیداوار کے لئے نصب کیا گیا اور دستیاب ہے۔ انتظامیہ اگلے مالی سال کے اندر تجارتی پیداوار شروع کرنے کا عزم کر رہی ہے۔ کمپنی کی فری نقد بہاؤ پیداوار اور سرمایہ مدت میں مجوزہ منصوبوں میں سرمایہ کاری کی حمایت جاری رکھی گئی۔

ڈیپ لینڈ اور تصرفات

مستقبل کی سرمایہ کاری، مالی اعانت اور کپٹل اخراجات کی منصوبہ بندی کرتے ہوئے، بورڈ نے 30 ستمبر 2018 کو ختم ہونے والے مالی سال کے لئے 1/1 روپے فی شیئر کا نقد منافع مقدمہ کی تجویز دی ہے باقی رقم مستقبل کے اخراجات کے لئے کمپنی کے ہاں برقرار رکھی جا رہی ہے۔ یہ نظائر تمام حصص یافتگان کو مسلسل پائیدار منافع فراہم کرنے کے لئے ہماری کمپنی کے عزم کے مطابق ہے۔ غیر مختص شدہ منافع میں تغیر و تبدل مندرجہ ذیل ہے:

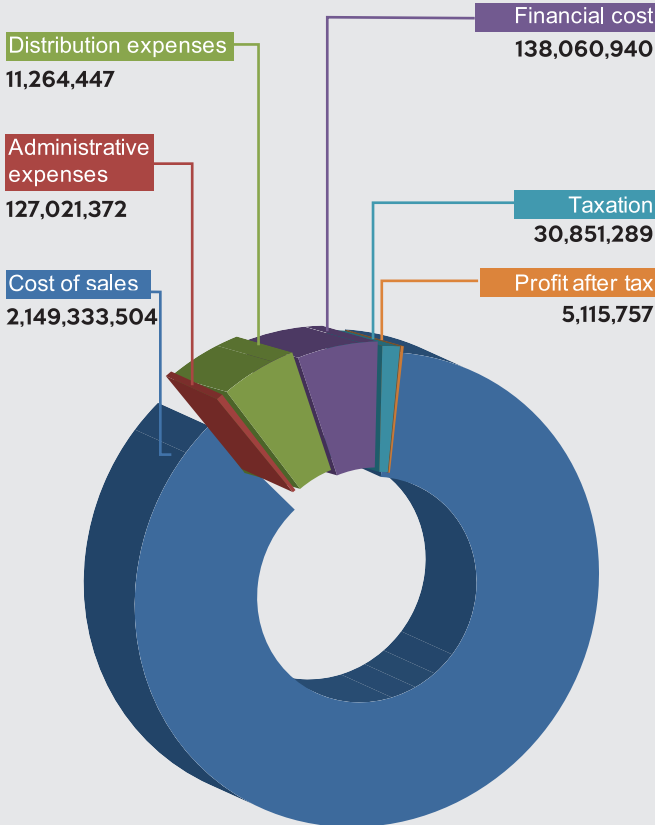
روپے 000 میں	
37,772	سال کے لئے خالص منافع
49,562	گزشتہ سالوں کا غیر مختص شدہ منافع
87,334	تصرفات کے لئے دستیاب خالص منافع
	تصرفات
28,440	مجوزہ کردہ نقد منافع مقدمہ بشرح 10%
58,894	غیر تصرفاتی منافع جو آگے گیا
0.22	فی شیئر آمدنی

ہولڈنگ کمپنی

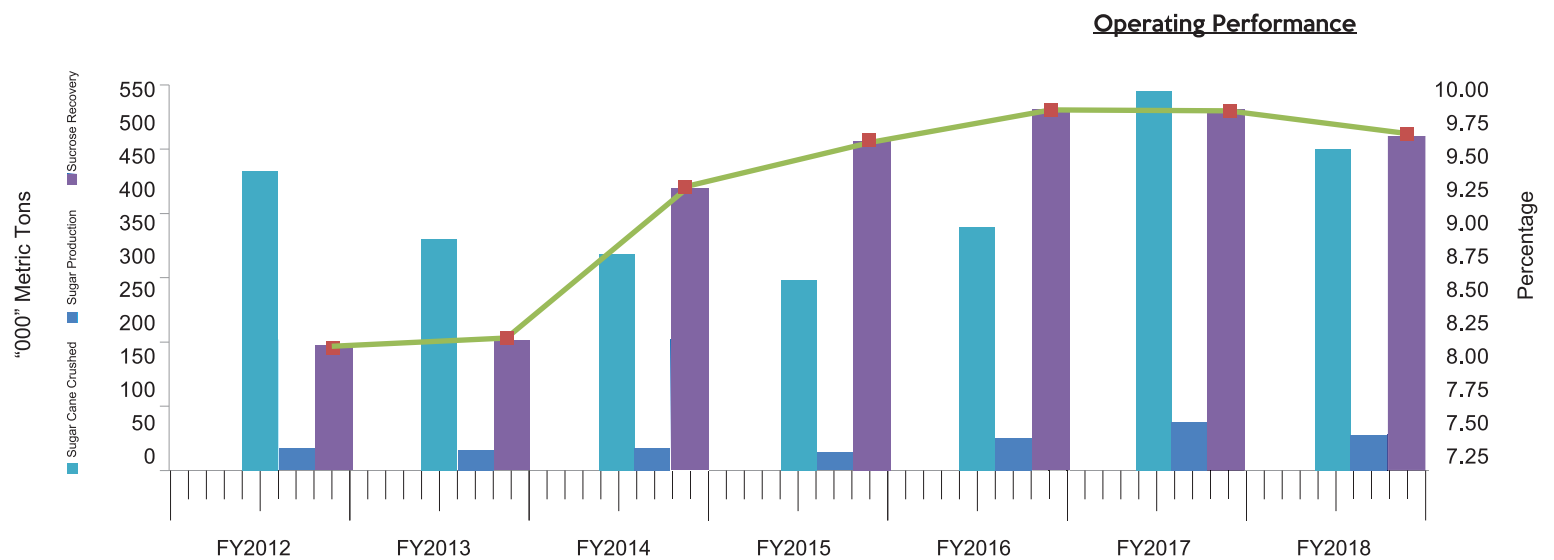
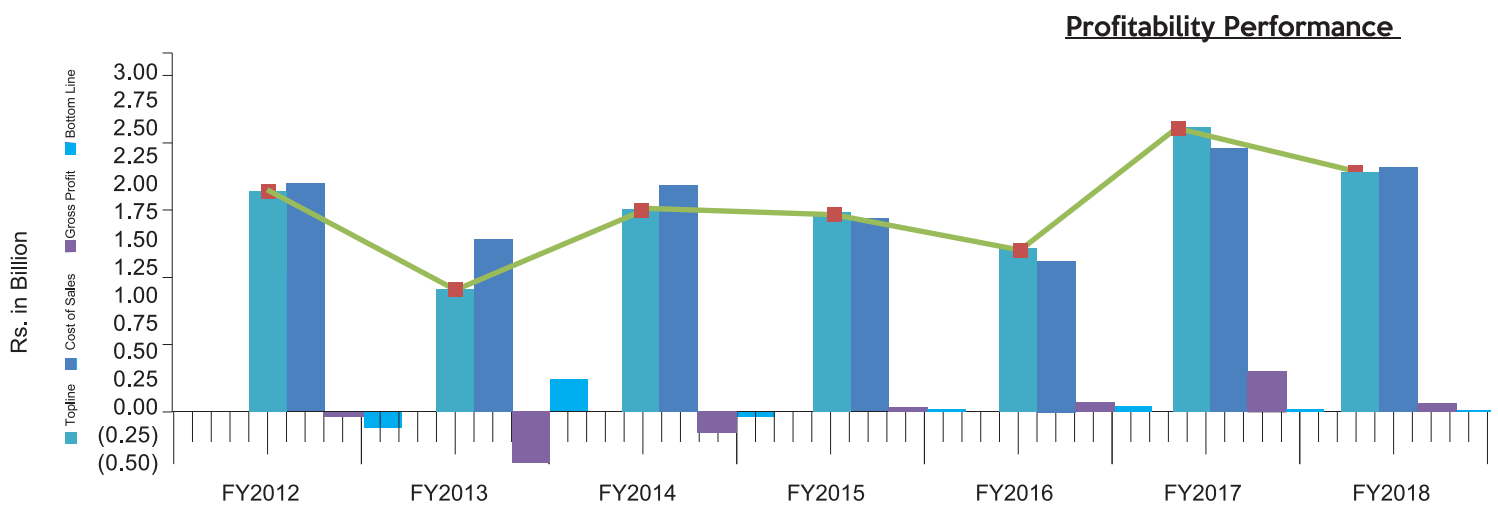
کیون پروپیٹیٹ (پرائیویٹ) لمیٹڈ، پاکستان میں قائم شدہ 63.64 فیصد حصص کے ساتھ جو ہر آباد شوگر ملز لمیٹڈ کی ہولڈنگ کمپنی ہے۔

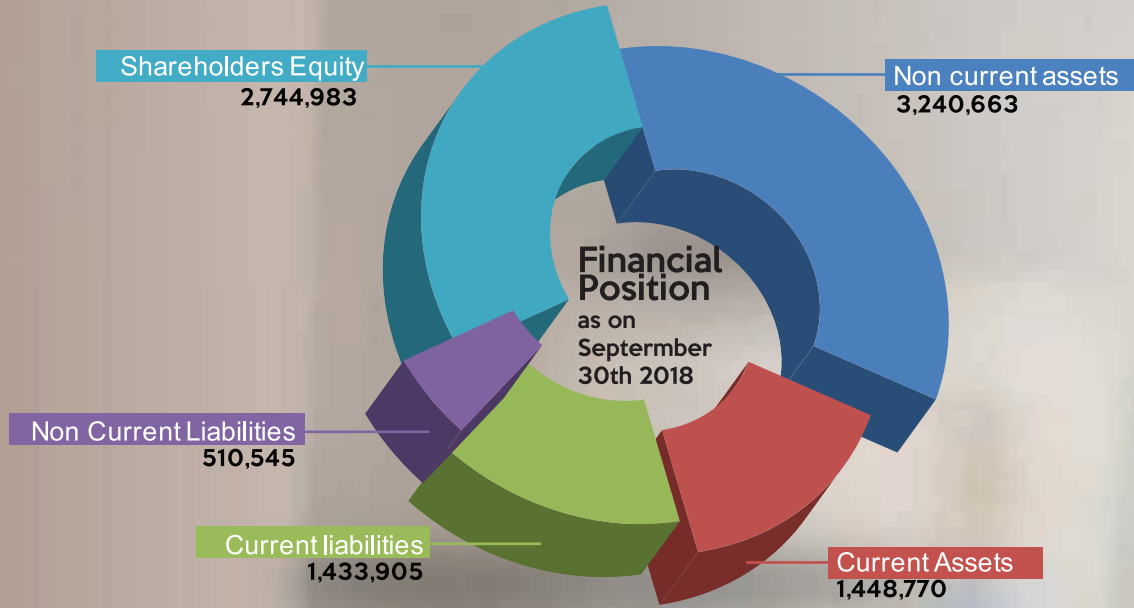
آڈیٹرز کی رپورٹ

کمپنی کے مالیاتی حسابات کمپنی کے آڈیٹر کی طرف سے کسی اہمیت کے بغیر نظر ثانی شدہ ہیں اور اس کے حصص داران کو جاری کرنے کی اجازت ہے۔



Financial Performance by September 30th 2018





Rupees in thousands

ڈائریکٹرز کی حصص یافتگان کو رپورٹ

رپورٹ ڈائریکٹر آپ کو 30 ستمبر 2018 کو ختم ہونے والے سال کے لئے کمپنی کی سالانہ رپورٹ کے ساتھ نظر ثانی شدہ مالی حسابات اور ان پر ڈائریکٹر کی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتا ہے۔

صنعت کا جائزہ

شوگر کی صنعت، زراعت پر مبنی دوسری بڑی صنعت ہونے کے ناطے ملک میں صحت مند اقتصادی سرگرمیوں کی تخلیق میں اہم کردار ادا کرتی ہے۔ اس سال گئے کی فصل ملک کی زرعی مجموعی ترقی میں سب سے زیادہ شرکت دار رہی اور اس سال کے گئے کی فصل کے دوران تقریباً 1.31 ملین ہیکٹر زرقہ [1.22 CY17 ملین ہیکٹر] پر آگائی گئی، جس کی نتیجے میں گئے کی 81.10 ملین ٹن [75.48 CY17 ملین ٹن] کی پیداوار، YOY کی بنیاد پر 7.45 فیصد کا اضافہ، گئے کی کاشت کی فی ایکڑ پیداوار میں 7.8 فیصد اضافہ سے بنیادی طور پر منسوب ہے۔ حقیقت کے باوجود، اس کرشک بیزنس میں صنعت نے دو بارہ پھر فصل کا مشاہدہ کیا لیکن سال کے دوران خراب موسمی حالات یعنی آبپاشی کے پانی کی قلت اور کم بارش کی کمی کی وجہ سے، فی ہیکٹر پیداوار YOY بنیاد پر 0.3 فیصد تک کم ہوئی، 6.7 ملین ٹن چینی (7.0 CY2017 ملین ٹن) کی پیداوار نے پاکستان کو دنیا بھر میں 5 واں سب سے بڑا چینی بنانے والا اور مصنوعات کا خالص برآمد کنندہ بھی بنادیا۔ یہ سال انڈسٹری کے لئے سب سے زیادہ مشکل سالوں میں سے ایک رہا۔ عالمی گلت اور بین الاقوامی کم قیمتوں کے علاوہ، صنعت نے حکومت کی طرف سے مقرر کردہ گئے کی زیادہ قیمت، چینی کی تقریباً 1.5 ملین ٹن کی بے مثال انونیٹری، متغیر ماحولیاتی رویہ، آبپاشی کے لئے پانی کی قلت اور دیگر زکے برعکس چینی کی فروخت قیمتوں میں بہت کمی دیکھی ہے۔ اس اضافی سپلائی کی صورت حال کا مقابلہ کرنے کے لئے، حکومت نے ایک ابتدائی اقدام کیا اور سال کے دوران جزوی طور پر سبسڈی کی بنیاد پر 2.0 ملین ٹن کی برآمد کا اعلان کیا جو اس کے مطابق استعمال کیا گیا۔ آگے بڑھتے ہوئے، پاکستان میں چینی کی پیداوار سالانہ مقامی کھپت کے مطابق رہنے کی توقع کی جاتی ہے۔

آپریٹنگ کارکردگی

گزشتہ کرشک بیزنس کے مقابلے کرشک بیزنس 2017-18 کے لئے کمپنی کی پیداوار اور فروخت کے اعداد و شمار مندرجہ ذیل ہیں:

تفصیلات	اکائیوں	مالی سال 2018	مالی سال 2017	تبدیلی YOY
کام کے ایام	دن	131	130	0.77%
گئے کی کرشک	میٹرک ٹن	441,646	546,857	(19.24%)
چینی کی پیداوار	میٹرک ٹن	42,846	53,972	(20.61%)
چینی کی ریکوری	فیصد	9.7%	9.87%	(1.72%)
چینی کی فروخت - مقامی	میٹرک ٹن	33,970	38,926	(12.73%)
چینی کی فروخت - بین الاقوامی	میٹرک ٹن	5,012	3,897	28.61%
چینی کی فروخت - کل	میٹرک ٹن	38,982	42,823	(8.97%)
مولاس کی پیداوار	میٹرک ٹن	21,835	25,256	(13.55%)
مولاس کی ریکوری	فیصد	4.94%	4.62%	6.93%

اس مالی سال کے دوران، کمپنی نے بیزنس کا آغاز 30 نومبر 2018 (25 CY 2017) کو کیا اور ملٹری گزشتہ کرشک سال کے مقابلے ایک دن زیادہ 131 دنوں تک چلائی گئیں۔ کمپنی نے رواں سال کے دوران 441,646 ٹن (مالیاتی سال 2017: 546,857 ٹن) گئے کی کرشک کے ذریعے 9.70 فیصد (مالی سال 2017: 9.87 فیصد) کی کم ریکوری شرح پر 42,846 ٹن (مالیاتی سال 2017: 53,972 ٹن) سفید چینی بنائی ہے۔ حقیقت کے باوجود کہ سابقہ غیر فعال ملز ہمارے رجسٹر میں فعال ہو گئیں، کمپنی نے اپنے حریفوں کے مقابلے مناسب اچھی کارکردگی دکھائی۔ کمپنی نے اس مالی سال کے اختتام سے قبل اپنی چینی کی پیداوار 64.96 فیصد (مالیاتی سال 2017: 79.34 فیصد) فروخت سمیت سی آئی ایس اور افغانستان میں بین الاقوامی صارفین کو پیدا شدہ چینی کا 11.76 فیصد (مالی سال 2017: 7.22 فیصد) برآمد کیا۔ کمپنی نے ٹاپ لائن میں 5.85 فیصد حصہ شامل کرتے ہوئے 4.94 فیصد (مالیاتی سال 2017: 4.62 فیصد) کی اضافی ریکوری شرح YOY 6.93% پر 21,835 ٹن مولاس (مالیاتی سال 2017: 25,256 ٹن) پیدا کیا۔

Monday 28TH JANUARY 2019 50th Annual General Meeting

نوٹ:

کمپنی کے شیئر رجسٹر اراکو ارسال کرنے چاہئیں۔
9۔ ایف بی آر کی وضاحت کے مطابق آرڈیننس کی دفعہ 159 کے تحت کارآمد ایگزیمپشن سرٹیفکیٹ آرڈیننس کے دوسرے شیڈول کی کلاز 47B کے پارٹ IV کے تحت وہ ہولڈنگ ٹیکس کی ایگزیمپشن کے دعویٰ کیلئے لازمی ہے۔ وہ جو مذکورہ بالا کلاز کی ٹیکس کیلکولیٹری میں آتے ہیں کولازم کمپنی کے شیئر رجسٹر کو کارآمد ٹیکس ایگزیمپشن سرٹیفکیٹس مہیا کریں بصورت دیگر مجوزہ شرحوں کے مطابق ڈیوٹی پر ٹیکس منہا کیا جائے گا۔

10۔ ایف بی آر نے واضح کیا ہے کہ فاکرز اور نان فاکرز کے ملکیتی مشترکہ حصص داران کے اکاؤنٹس سے الگ الگ سلوک کیا جائے گا اور ایسی خاص صورت حال میں ہر ایک اکاؤنٹ ہولڈر سے یا تو فاکر یا نان فاکر سلوک کیا جائے گا اور ٹیکس ان کے شیئر ہولڈنگ کے مطابق منہا کیا جائے گا۔ اگر شیئر قابل تحقیق ہوا تو ہر اکاؤنٹ ہولڈر شیئر کے مساوی تناسب کا مالک تصور ہوگا اور اس کے مطابق ڈیوٹن ہوگی اس لئے زیادہ شرح پر ٹیکس کی ڈیڈکشن سے بچنے کیلئے مشترکہ اکاؤنٹ ہولڈرز سے درخواست ہے کہ اپنے شیئر ہولڈنگ کی حسب ذیل تفصیلات کمپنی کے شیئر رجسٹر کو کم از کم AGM کی تاریخ تک مہیا کریں۔

1۔ کمپنی کی حصص منتقلی سکا میں 21 جنوری 2019ء تا 28 جنوری 2019ء (بشمول ہر دو ایام) بند رہیں گی۔
منتقلیات کمپنی کے شیئر رجسٹر، میسرز کارپ لنک (پرائیویٹ) لمیٹڈ، ونگز آرکیڈ، 1-K، کمرشل، ماڈل ٹاؤن لاہور کو 20 جنوری 2018ء کو کاروبار کے اختتام تک وصول ہونے والی سالانہ اجلاس عام میں شرکت کے استحقاق کیلئے بروقت تصور ہوگی۔

2۔ اجلاس میں شرکت اور ووٹ دینے کا مستحق ممبر اپنی جانب سے شرکت اور ووٹ دینے کیلئے کسی دیگر کیلئے ممبر کو اپنا پراکسی مقرر کر سکتا ہے۔ کارپوریٹ اثبات کی صورت میں پورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ مع نمائندہ کے نمونہ دستخط کمپنی کے پراکسی فارم کے ہمراہ جمع کرانا ہوگا۔ پراکسیز تا آئندہ مقرر ہوئیں، کمپنی کے رجسٹرڈ دفتر میں اجلاس کے انعقاد کے وقت سے کم از کم 48 گھنٹے قبل لاؤنڈا وصول ہو جانی چاہئیں۔

3۔ وہ ممبران جو اپنے حصص سنٹرل ڈیپازٹری کمپنی پاکستان لمیٹڈ (سی ڈی سی) کے ہاں جمع کرائے ہوں، سے درخواست ہے کہ اپنے اصل CNIC، اکاؤنٹ اور پارٹیشن کے نمبرز ہمراہ لائیں۔ ایسے ممبران کو مزید برآں سیکورٹیز اینڈ ایکسچینج کمیشن پاکستان کے سرکٹر نمبر 1 مورخہ 26 جنوری 2000 میں دی گئی درج ذیل گائیڈ لائنز کی پیروی کرنا ہوگی۔

4۔ ممبران کو کمپنی کے ساتھ تمام کارپسٹرنٹس میں اور سالانہ اجلاس عام میں شرکت کے وقت اپنے فوئیو نمبر درج کرنے چاہئیں۔

5۔ ممبران سے درخواست ہے کہ اپنے رجسٹرڈ پتوں میں تبدیلی، ڈکو ڈیکلریشن اور ٹیکس ایگزیمپشن سٹیٹس، اگر کوئی ہو، باقاعدہ اپنے کارآمد سرٹیفکیٹس کے ہمراہ کمپنی کے شیئر رجسٹر اراکو فی الفور مطلع فرمائیں۔

6۔ کمپنیز ایکٹ 2017ء کی دفعہ 242 کی پروویژنز کے مطابق کوئی منافع منقسمہ قابل ادا نقصان صورت میں نقصان کیلئے ایک طریقہ کے ذریعے براہ راست مستحق ممبران کے منسوب کردہ بینک اکاؤنٹ میں کیا جائے گا۔ اس کے مطابق تمام ممبران سے درخواست ہے کہ کمپنی کے شیئر رجسٹر، ممبر بروکر، پارٹیشن ای ڈی سی ای او لیٹر اکاؤنٹ سرور کو ڈیوٹیڈ میٹریڈ معلومات مہیا کریں۔ سی ڈی سی میں حصص رکھنے کی صورت میں یہ معلومات سی ڈی ای ایس کو براہ راست مہیا کی جانی چاہئیں۔ ممبران سے معلومات حاصل کرنے کا نوٹس انہیں الگ الگ ارسال کیا جا رہا ہے۔ معیاری درخواست فارم کمپنی کی ویب سائٹ www.jsml.com.pk پر بھی رکھا جا چکا ہے۔ معلومات مہیا کرنے میں تاخیر کی صورت میں، کمپنی ڈیوٹیڈ ادا کرنے کے قابل نہیں ہوگی۔

7۔ یکم جولائی 2017ء سے مؤثر فرنس ایکٹ 2017ء کی پروویژنز کی پیروی میں ڈیوٹیڈ ادا ٹیکسوں سے آئٹیکس کی کٹوتی کی شرح درج ذیل کے مطابق ریوایز کی گئی ہے۔

- i۔ آئٹیکس ریٹرن کے فاکرز کیلئے ٹیکس کٹوتی کی شرح 15%
- ii۔ آئٹیکس ریٹرن کے نان فاکرز کیلئے ٹیکس کٹوتی کی شرح 20%

حصص داران جن کے نام ایف بی آر کی ویب سائٹ پر دستیاب ایکٹیو ٹیکس میٹرز ذہرست میں درج نہیں ہیں باوجود بلکہ وہ فاکرز ہیں کو تصدیق ہے کہ ATL میں اپنے ناموں کا اندراج یقینی بنائیں۔ بصورت دیگر ان کے نقد منافع منقسمہ پر ٹیکس 15% کی بجائے 20% شرح سے منہا کیا جائے گا۔

8۔ سی ڈی سی اکاؤنٹ کے حامل کارپوریٹ ممبران کو اپنے متعلقہ پارٹیشن کے ہاں اپنے نیشنل ٹیکس نمبر (NTN) مہیا کرنا لازمی ہوگا جبکہ کارپوریٹ مادی ممبران کو اپنے این بی این سرٹیفکیٹس کمپنی یا

فولیو/سی ڈی	نام	شیئر	کمپنیز رجسٹرڈ قومی	شیئر	کل حصص	پرنسپل /
سی اکاؤنٹ	ہولڈر	شناختی کارڈ	ہولڈنگ	ہولڈر	جوائنٹ شیئر	ہولڈر

11۔ کمپنیز ایکٹ 2017ء کی دفعہ 244 کے تحت ضروری ہے کہ کوئی شیئر جو تین سالوں (یا زیادہ) کی مدت کیلئے غیر دعویٰ شدہ رہے ہوں وفاقی حکومت کو پہنچائے جائیں۔ قانون کے مطابق کمپنی کیلئے ضروری ہے کہ اگر حصص داران کو نوٹس دینے کے بعد کمپنی کے ہاں کوئی دعویٰ نہ کیا جائے تو غیر دعویٰ شدہ یا غیر ادا شدہ رقم فیڈرل حکومت کے ہاں جمع کرائی جائے۔ لہذا تمام حصص داران جو کسی وجہ سے اپنے ڈیوٹیڈ یا حصص دعویٰ نہیں کر سکتے تھے کو نوٹس ہذا کے ذریعے تصدیق کی جاتی ہے کہ اپنے غیر دعویٰ شدہ ڈیوٹیڈ یا بینڈنگ حصص اراکو فی الفور حاصل کرنے کے بارے میں تفتیش کیلئے کمپنی کے شیئر رجسٹر سے رابطہ کریں۔

12۔ 30 ستمبر 2018ء مختتم سال کیلئے تصدیق شدہ سالانہ مالی حسابات مع ادا پراڈیٹران اور ڈائریکٹران کی رپورٹس اور چیئرمین کی جائزہ رپورٹ کمپنی کی ویب سائٹ www.jsml.com.pk پر رکھے جا چکے ہیں۔

13۔ سالانہ مالی حسابات کی بذریعہ ای میل ترسیل: سیکورٹیز اینڈ ایکسچینج کمیشن پاکستان نے بروئے SRO 787(1)/2014 مورخہ 8 ستمبر 2014 کمپنیوں کو سالانہ بیلنس شیٹ، نفع و نقصان اکاؤنٹ، ڈیڈیٹ، ڈائریکٹرز رپورٹ اور چیئرمین کی جائزہ رپورٹ مع ادا اطلاع سالانہ اجلاس عام اپنے ممبران کو بذریعہ ای میل جاری کرنے کی اجازت دی ہے۔ ارکان جنہوں نے اپنے ای میل ایڈریس فراہم کر دیے ہیں کو بذریعہ ای میل ارسال کئے جا رہے ہیں۔ ارکان جنہوں نے اپنے ای میل ایڈریس فراہم نہیں کئے اور اس سہولت سے مستفید ہونا چاہتے ہیں، کمپنی کو اپنی رضامندی بعد ای میل ایڈریس ارسال کریں۔ سالانہ نظر ثانی شدہ حسابات کی بارڈر کا کیا مطالبہ پراکسی کی جائے گی۔

14۔ کمپنیز ایکٹ 2017ء کی دفعہ 132(2) کے مطابق، اگر کمپنی کو جغرافیائی محل وقوع پر سکوٹی مجموعی 10% یا زیادہ شیئر ہولڈنگ کے مالک ممبران سے اجلاس میں بذریعہ ڈیوٹیڈ یا ٹرانزیکشن کیلئے رضامندی AGM کی تاریخ سے کم از کم 7 یوم قبل وصول ہوئی تو، کمپنی اس شہر میں ایسی سہولت کی دستیابی کے حوالہ سے شہر میں ڈیوٹیڈ یا ٹرانزیکشن سہولت کا انتظام کرے گی۔ کمپنی ایسے حصص داران کو ایسی سہولت تک رسائی کے قابل بنانے کے لئے ڈیوٹیڈ یا ٹرانزیکشن سہولت کے مقام کی بابت معلومات سالانہ اجلاس عام کی تاریخ سے کم از کم 5 یوم قبل مطلع کرے گی۔

15۔ ارکان کمپنیز ایکٹ 2017 کی دفعہ 143 تا دفعہ 145 اوپنیکٹرز (پوشل بلیٹ) ریگولیشنز، 2018 کی قابل اطلاق کلاز کی ضروریات کے حوالہ سے انتخاب کے مطابق اپنا حق استعمال کر سکتے ہیں۔


جوہر آ باد شوگر ملز لمیٹڈ

اطلاع سالانہ اجلاس عام

بذریعہ نوٹس بذمہ مطلع کیا جاتا ہے کہ جوہر آ باد شوگر ملز لمیٹڈ ("کمپنی") کے ممبران 50% والے سالانہ اجلاس عام بروز سوموار 28 جنوری 2019 کو صبح 11:30 بجے، رجسٹرڈ دفتر A-109، گلی نمبر 3، کیولری گراؤنڈ، لاہور کیٹ میں درج ذیل امور کی انجام دہی کیلئے منعقد ہوگا۔

عام امور:

- 1۔ 27 جنوری 2018 کو منعقدہ سالانہ اجلاس عام کی کارروائی کی توثیق کرنا۔
- 2۔ 30 ستمبر 2018 کو ختم ہونے والے سال کیلئے کمپنی کے نظر ثانی شدہ سالانہ مالی حسابات معदान پر ڈائریکٹرز اور آڈیٹرز کی رپورٹس اور چیئرمین کی جائزہ رپورٹ کی وصولی، تجویز و خوش اور منظوری دینا۔
- 3۔ 30 ستمبر 2018 کو ختم ہونے والے سال کیلئے بورڈ آف ڈائریکٹرز کی سفارشات کے مطابق نقد ڈیویڈنڈ بشمول 10% یعنی 1 روپے فی عام شیئر کی ادائیگی کیلئے غور و خوض اور منظوری دینا۔
- 4۔ 30 ستمبر 2019 کو ختم ہونے والے اگلے مالی سال کیلئے آڈیٹرز کا تقرر اور ان کے صلہ خدمت کا تعین کرنا۔ میسرز یو ایچ وائی حسن، ایم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، نے اہل ہونے کی بناء پر دوبارہ تقرر کے لئے اپنے آپ کو پیش کیا ہے۔
- 5۔ صاحب صدر کی اجازت سے کسی دیگر امر پر کارروائی کرنا۔


بحکم بورڈ
عمران الیاس
کمپنی سیکرٹری

لاہور

مورخہ: 05 جنوری 2019ء

میں / ہم _____
ساکن _____
بحیثیت حصہ دار جوہر آباد شوگر ملز لمیٹڈ _____
ساکن _____
نام (فولیو / سی ڈی سی اکاؤنٹ نمبر اگر نمبر ہو) _____
یا بصورت دیگر _____
نام (فولیو / سی ڈی سی اکاؤنٹ نمبر اگر نمبر ہو) _____

ساکن _____ کو اپنی جگہ بروز پیر 28 جنوری 2019 کو بوقت 11:30 بجے دن 109-A، گلی نمبر 3، کیولری گراؤنڈ، لاہور کینٹ۔ میں منعقد یا ملتوی ہونے والے سالانہ عام اجلاس میں شرکت کرنے، بولنے اور ووٹ دینے کے لیے اپنا نمائندہ مقرر کرتا / کرتی ہوں۔

بطور گواہ میرے / ہمارے دستخط سے مورخہ _____ جنوری 2019 کو دی گئی۔

۵ روپے کارسیدی ٹکٹ
چسپاں کر کے دستخط کریں

۱۔ گواہ

دستخط : _____
نام : _____
شناختی کارڈ نمبر : _____
پتہ : _____

دستخط _____
(ممبر اجازت فر)

۲۔ گواہ

دستخط : _____
نام : _____
شناختی کارڈ نمبر : _____
پتہ : _____

حاصل عام حصص

سی ڈی سی اکاؤنٹ نمبر		فولیو نمبر
شراکتی آئی ڈی	اکاؤنٹ نمبر	

کمپیوٹرائزڈ شناختی کارڈ نمبر _____

نوٹس:

- (۱) پراکسیز کے موثر ہونے کیلئے لازم ہے کہ وہ اجلاس سے ۴۸ گھنٹے قبل بمعہ دستخط گواہان اور رسیدی ٹکٹ کمپنی کو موصول ہو جانی چاہئیں۔
- (۲) سی ڈی سی حصص داران اجلاس ہذا میں شرکت کرنے، بولنے اور ووٹ دینے کیلئے اہل ہیں اور اپنی شناخت ثابت کرنے کے لیے اپنے اصلی کمپیوٹرائزڈ قومی شناختی کارڈ / پاسپورٹ ساتھ لائیں اور پراکسی کی صورت میں اپنے کمپیوٹرائزڈ قومی شناختی کارڈ / پاسپورٹ کی تصدیق شدہ کاپی ساتھ لگائیں۔
- (۳) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی بمعہ نمائندہ کے دستخط پراکسی فارم کے ساتھ لف کرنے ہونگے۔

درست رسیدی
ٹکٹ چسپاں کریں

کمپنی سیکرٹری

جوہر آباد شوگر ملز لمیٹڈ

109-A، گلی نمبر 3، کیولری گراؤنڈ، لاہور کینٹ۔

فون : 042 37175229

.....

AFFIX
CORRECT
POSTAGE

The Company Secretary

Jauharabad Sugar Mills Limited

109-A, Street No. 3, Cavalry Ground,
Lahore - Cantt.
Tel : 042 37175229

1. Proxies, in order to be effective, must be received at the Company's Registered Office, not less than 48 hours before the time for holding the meeting and must be duly stamped, signed and witnessed.
2. CDC Shareholders, entitled to attend, speak and vote at this meeting, must bring with them their Computerized National Identity Cards (CNIC) /Passports in original to prove his/her identity, and in case of Proxy, must enclose an attested copy of his/her CNIC or Passport.
- 3 In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee should be attached with the proxy form.

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AFFIX
CORRECT
POSTAGE

The Company Secretary

Jauharabad Sugar Mills Limited

109-A, Street No. 3, Cavalry Ground,
Lahore - Cantt.
Tel : 042 37175229

میں / ہم _____
ساکن _____

بحیثیت حصہ دار جوہر آباد شوگر ملز لمیٹڈ
ساکن _____ یا بصورت دیگر _____
نام (فولیو / سی ڈی سی اکاؤنٹ نمبر اگر نمبر ہو)
نام (فولیو / سی ڈی سی اکاؤنٹ نمبر اگر نمبر ہو)

ساکن _____ کو اپنی جگہ بروز پیر 28 جنوری 2019
کو بوقت 11:30 بجے دن 109-A، گلی نمبر 3، کیولری گراؤنڈ، لاہور کینٹ۔ میں منعقد یا ملتوی ہونے والے سالانہ عام اجلاس
میں شرکت کرنے، بولنے اور ووٹ دینے کے لیے اپنا نمائندہ مقرر کرتا / کرتی ہوں۔

بطور گواہ میرے / ہمارے دستخط سے مورخہ _____ جنوری 2019 کو دی گئی۔

۵ روپے کارسیدی ٹکٹ
چسپاں کر کے دستخط کریں

۱۔ گواہ

دستخط : _____
نام : _____
شناختی کارڈ نمبر : _____
پتہ : _____

دستخط _____
(ممبر اجازت فر)

۲۔ گواہ

دستخط : _____
نام : _____
شناختی کارڈ نمبر : _____
پتہ : _____

حاصل عام حصص

سی ڈی سی اکاؤنٹ نمبر	فولیو نمبر
شراکتی آئی ڈی	
اکاؤنٹ نمبر	

کمپیوٹرائزڈ شناختی کارڈ نمبر _____

نوٹس:

- (۱) پراسیڈر کے موثر ہونے کیلئے لازم ہے کہ وہ اجلاس سے ۴۸ گھنٹے قبل بمعہ دستخط گواہان اور رسیدی ٹکٹ کمپنی کو موصول ہو جانی چاہئیں۔
- (۲) سی ڈی سی حصص داران اجلاس ہذا میں شرکت کرنے، بولنے اور ووٹ دینے کیلئے اہل ہیں اور اپنی شناخت ثابت کرنے کے لیے اپنے اصلی کمپیوٹرائزڈ قومی شناختی کارڈ / پاسپورٹ ساتھ لائیں اور پراسی کی صورت میں اپنے کمپیوٹرائزڈ قومی شناختی کارڈ / پاسپورٹ کی تصدیق شدہ کاپی ساتھ لگائیں۔
- (۳) کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد / پاور آف اٹارنی بمعہ نمائندہ کے دستخط پراسی فارم کے ساتھ لف کرنے ہونگے۔

درست رسیدی
ٹکٹ چسپاں کریں

کمپنی سیکرٹری

جوہر آباد شوگر ملز لمیٹڈ

109-A، گلی نمبر 3، کیولری گراؤنڈ، لاہور کینٹ۔

فون : 042 37175229

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