30th Annual Report
2016

C O N T E N T S

	Page No.

COMPANY'S INFORMATION

DIRECTORS	Syed Shafqat Ali Shah	Managing Director & Chief Executive
	Mr. Masood Ahmed	
	Mr. Feroz F. Golwalla	
	Mr. Hameedullah Khan Paracha	
	Mrs. Shamim Noor Shah	
	Syed Muhammad Ali Shah	
	Syed Taimur Ali Shah	
	Syed Reza Ali Shah	
	Mr. Habib Hameed Paracha	
CHIEF FINANCIAL OFFICER & COMPANY SECRETARY	Mr. Iqbal-ur-Rahman	
AUDITORS	Rahman, Sarfaraz Rahim Iqbal Rafiq Chartered Accountants Plot No. 180, Block-A, S.M.C.H.S., Karachi-74400.	
COST AUDITORS	Qavi & Company Chartered Accountants Suites # 717 & 718, Ceasars Tower, Shahrah-e-Faisal, Karachi	
HEAD OFFICE	Matiari House, C-48, K.D.A. Scheme No. 1, Karachi-75350.	
FACTORY	Matiari/Nasarpur Road, Matiari, District Matiari.	
WEBSITE & EMAIL	www.matiarisugar.com msm@matiarisugar.com	

NOTICE OF 30TH ANNUAL GENERAL MEETING

NOTICE is hereby given that 30th Annual General Meeting of the Company will be held on Tuesday 31st January, 2017 at 11:00 a.m. at the registered office of the Company to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of Annual General Meeting held on 30th January, 2016.

2. To receive, consider and adopt the audited accounts for the year ended 30th September, 2017 together with the Directors' and Auditors' Report.

3. To approve 50% interim cash dividend final Divident for the year ended 30th September, 2016 and 10% Bonus shares as recommended by the Board of Directors.

4. To appoint Auditors of the Company for the Year 2016-2017 and to fix their remuneration.

5. To transact any other ordinary business with the permission of the Chair

By the order of the Board

Karachi
Dated: 10th January, 2017

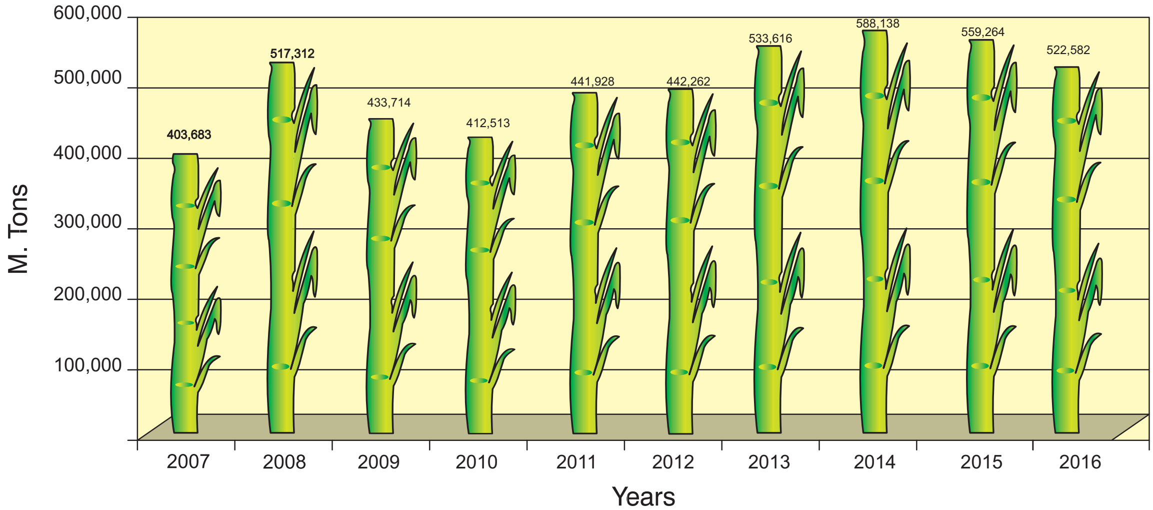
IQBAL-UR-RAHMAN
Company Secretary

TEN YEARS' REVIEW

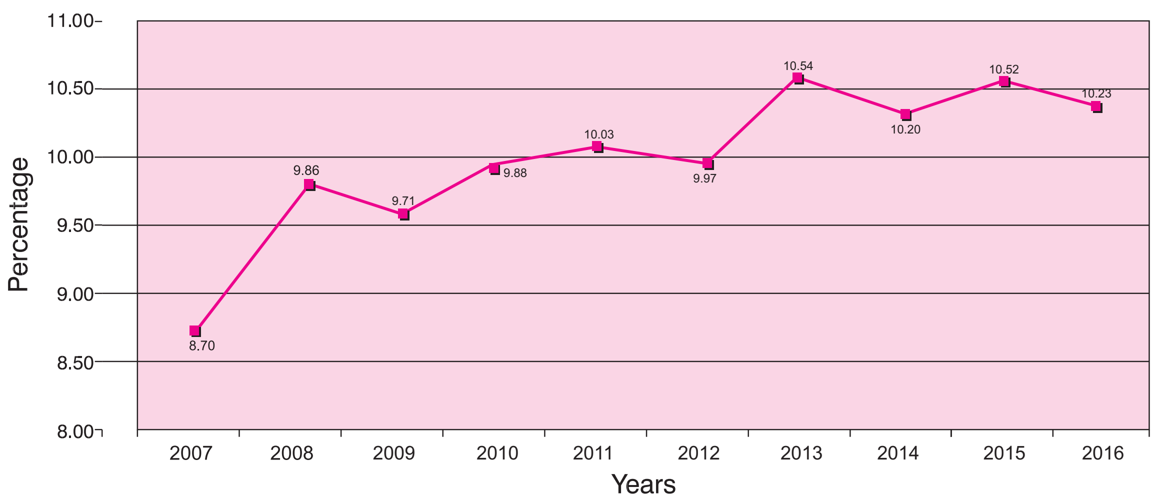
DESCRIPTION	1 2007	2 2008	3 2009	4 2010	5 2011	6 2012	7 2013	8 2014	9 2015	10 2016
PRODUCTION										
No. of days of season	140	156	126	121	157	123	153	161	159	148
Cane crushed - Tons	403,683	517,312	433,714	412,513	441,928	442,262	533,616	588,138	559,264	522,582
Recovery%	8.70	9.86	9.71	9.88	10.03	9.97	10.54	10.20	10.52	10.23
Sugar made - Tons	35,612	51,005	42,107.5	40,759.5	44,445.0	44,098.5	56,259.5	59,969.5	58,847.5	53,427.5
Molasses - Tons	20,282	27,920	21,420	18,630	19,886.0	20,380	24,530	27,194	25,055	23,600
OPERATING RESULTS										
Sales	743,051,423	857,382,692	1,635,602,583	2,140,909,100	2,609,680,867	2,182,939,160	2,702,863,375	2,784,391,542	2,914,709,123	2,730,108,987
Cost of sales	731,160,966	709,077,998	1,334,255,372	1,787,284,598	2,146,913,095	1,970,202,855	2,498,612,712	2,583,078,598	2,559,748,362	2,579,204,449
Gross profit / (Loss)	11,890,457	148,304,694	301,347,211	353,624,502	462,767,772	212,736,305	204,250,663	201,312,944	354,960,761	150,904,538
Operating profit / (Loss)	(18,947,088)	104,159,207	264,481,757	306,895,822	389,413,751	125,732,936	79,901,514	105,191,671	251,998,850	51,332,860
Profit / (Loss) before taxation	(62,671,032)	67,757,171	186,518,901	245,960,351	328,850,457	158,217,785	72,823,339	133,300,141	211,103,345	54,702,610
Profit / (Loss) after taxation	(66,926,032)	62,733,739	144,382,049	157,214,201	198,751,961	127,646,220	122,564,380	90,948,581	136,285,096	58,003,358
Gross profit / (Loss) (percentage)	1.60	17.30	18.42	16.52	17.73	9.75	7.56	7.23	12.18	5.53
Operating profit / (Loss) (percentage)	(2.55)	12.15	16.17	14.33	14.92	5.76	2.96	3.78	8.65	1.88
Profit / (Loss) before tax (percentage)	(8.43)	7.90	11.40	11.49	12.60	7.25	2.69	4.79	7.24	2.00
Profit / (Loss) after tax (percentage)	(9.01)	7.32	8.83	7.34	7.62	5.85	4.53	3.27	4.68	2.12
Growth in net profit / (Loss) after tax (percentage)	(161.25)	206.68	56.55	8.16	20.90	(55.71)	(4.15)	(34.76)	33.27	(134.96)
Raw materials percent of sales	98.89	94.07	65.93	81.39	83.06	81.50	89.92	91.69	82.42	91.59
Labour percent of sales	7.48	7.59	4.91	3.91	3.95	4.78	4.68	4.73	5.39	6.16
Administrative expense percent of sales	4.05	4.85	2.15	2.14	1.84	2.58	2.71	2.71	2.90	3.36
Selling expenses percent of sales	0.10	0.30	0.10	0.04	0.06	0.86	1.66	0.39	0.09	0.13
Financial expenses percent of sales	6.84	4.45	4.22	3.20	3.54	3.54	3.64	2.46	2.43	2.24
Income tax percent of sale	0.57	0.19	2.58	4.15	4.99	1.40	1.36	1.52	2.57	0.12
Repayment of long term financing										
Principal - Rs.	15,282,553	59,101,257	112,011,168	95,050,519	116,149,065	127,757,884	121,271,618	107,093,543	108,800,223	65,910,673
Mark-up - Rs.	50,810,565	52,747,428	93,699,342	69,670,620	86,643,816	81,655,546	95,665,134	69,242,087	72,811,993	21,421,514
Payment to Employees										
Bonus - Rs.	7,244,149	7,613,510	7,535,426	8,016,394	9,014,385	9,091,925	10,495,290	13,591,234	14,489,619	15,359,021
W.P.P. Fund - Rs.	-	3,387,859	9,816,784	9,816,784	23,732,871	11,726,130	11,726,130	3,943,712	7,158,976	2,937,842
SHAREHOLDERS' EQUITY										
Paid up capital	65,250,000	65,250,000	65,250,000	65,250,000	65,250,000	65,250,000	65,250,000	65,250,000	65,250,000	65,250,000
Bonus shares	65,250,000	65,250,000	78,300,000	121,365,000	140,026,500	160,554,150	160,554,150	160,554,150	160,554,150	160,554,150
	130,500,000	130,500,000	143,550,000	186,615,000	205,276,500	225,804,150	225,804,150	225,804,150	225,804,150	225,804,150
Reserves and surplus	35,553,346	113,502,209	223,203,530	245,887,142	379,195,366	657,747,862	727,522,505	847,315,760	897,870,108	836,145,446
Earning / (Loss) per share (before tax)	(4.80)	5.19	12.99	13.18	16.02	7.01	3.23	5.90	9.35	2.42
Earning / (Loss) per share (after tax)	(5.13)	4.81	10.06	8.42	9.68	5.65	5.43	4.03	6.04	2.57
Book value per share	12.72	18.70	25.55	23.18	28.47	39.13	42.22	47.52	49.76	47.03
Dividend										
Amount - Rs.	-	13,050,000	57,420,000	74,646,000	74,646,000	82,110,600	90,321,660	45,160,830	90,321,660	135,482,490
Percentage	-	10%	40%	40%	40%	40%	40%	20%	40%	60%
Interim Dividend										
Amount - Rs.	-	-	-	-	-	-	45,160,830	-	-	-
Percentage	-	-	-	-	-	-	20%	-	-	-
Bonus Shares										
Amount - Rs.	-	13,050,000	43,065,000	18,661,500	20,527,650	-	-	-	-	-
Percentage	-	10%	30%	10%	10%	-	-	-	-	-
FINANCIAL POSITION										
Current ratio	1 : 0.98	1 : 1	1 : 1.11	1 : 1.13	1 : 1.13	1 : 1.15	1 : 0.84	1 : 1	1 : 1.02	1 : 1.19
Acid test ratio	0.49 :	10.85 : 1	0.46 : 1	0.35 : 1	0.45 : 1	0.28 : 1	0.44 : 1	0.25 : 1	0.13 : 1	1.13 : 1
Number of times interest earned	(0.23)	2.78	3.70	4.59	4.56	3.05	1.74	2.94	3.98	1.89
Debt equity ratio	31 : 69	38 : 62	17 : 83	21 : 79	16 : 84	15 : 85	11 : 89	15 : 85	10 : 90	14 : 86

PERFORMANCE REPORT

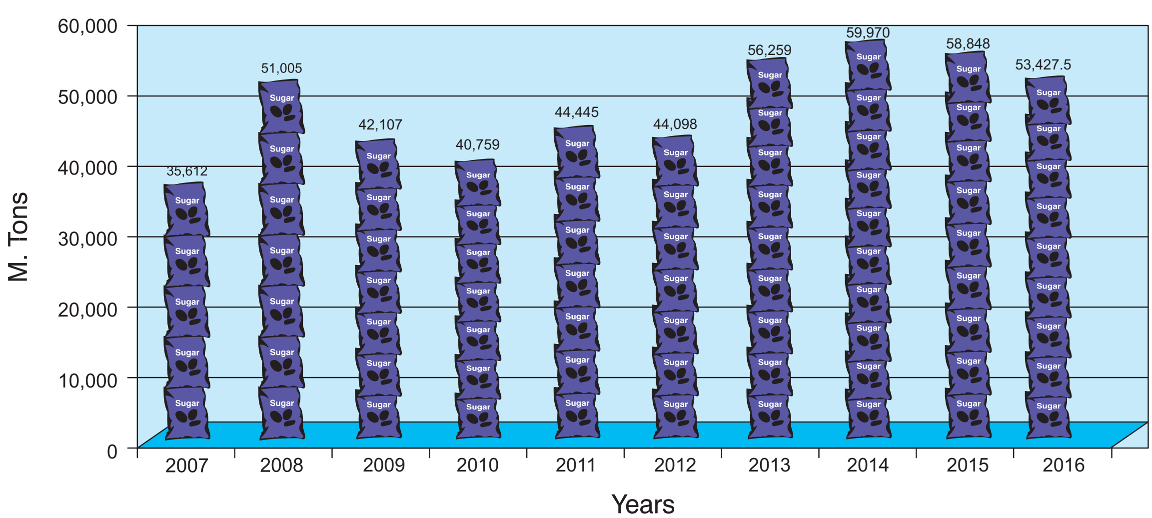
CANE CRUSHED



SUCROSE RECOVERY

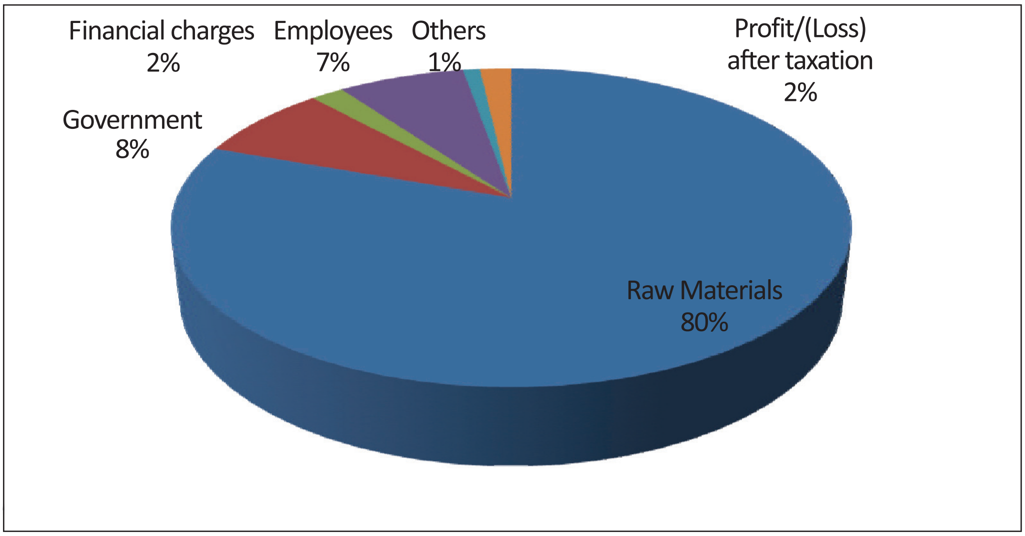


SUGAR PRODUCTION

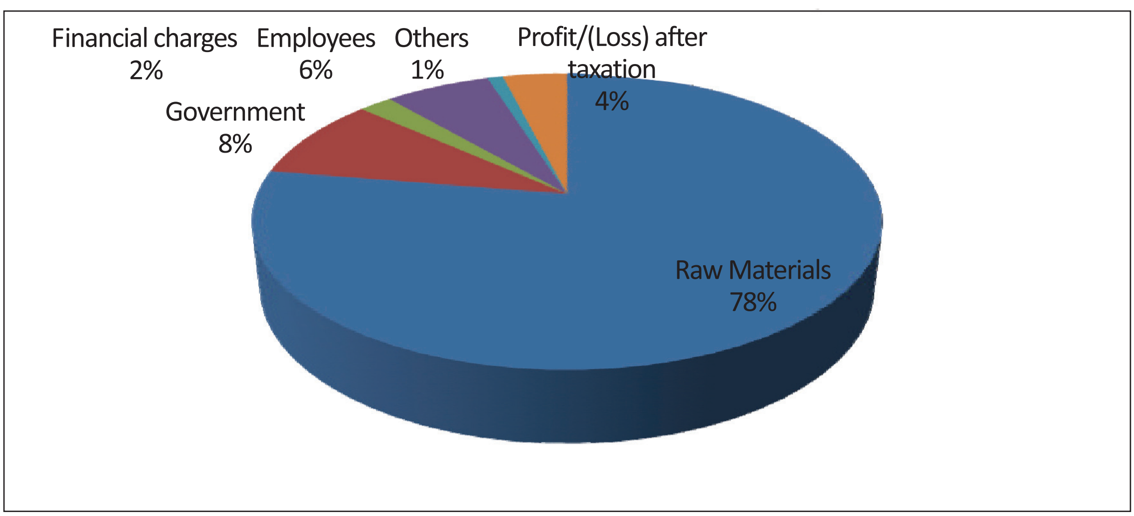


APPLICATION OF REVENUE

2016



2015



REVENUE DISTRIBUTION

	2016		2015	
	%	AMOUNT	%	AMOUNT
Raw Materials	80.51	2,636,087,696	77.63	2,684,872,157
Government	7.69	251,683,984	8.98	310,422,531
Financial charges	1.87	61,260,937	2.05	70,798,860
Employees	7.20	235,576,125	6.45	223,086,675
Others	0.96	31,533,979	0.96	33,173,778
Profit/(Loss) after taxation	1.77	58,003,358	3.94	136,285,096
TOTAL	**100.00**	**3,274,146,079**	**100.00**	**3,458,639,097**

DIRECTORS' REPORT

Your Director are please to present 30th Annual Report together with audited accounts for the year ended 30th September 2016.

FINANCIAL RESULTS

By the grace of Almighty Allah, during the year under review your Company earned an after tax profit of Rs.58,003,358. Following are the financial result for the year:

	Rupees	Rupees
PROFIT BEFORE TAXATION		54,702,610
Provision for Taxation		
Current	34,191,796	
Prior	9,434,498	
Deferred	(46,927,042)	(3,300,748)
Profit After Taxation		58,003,358
Accumulated profit brought forwar		897,870,108
Add: Transfer from surplus on Revaluation of property, plant & equipmen-Net of deferred tax.		26,541,522
Loss on re-measurement of Investment		
- Matol (Pvt.) Limited		(10,787,052)
		971,627,936
Less: 60% Interim/Final Divident Paid:		(135,482,490)
Accumulated Profit carried forward:		**836,145,446**

Earnings per share - Basic Diluted: 2.57

The crushing season 2015-2016 commenced on 20th October,2015 and the plant was operated upto 18th March, 2016 for 148 days. The Government of Sindh fixed minimum support price of sugar cane at Rs. 172 per kgs. Without giving any subsidy to to Growers for this year.

During the current crushing season the availability of cane was lower as compared to last year resulting Growers were deamanding higher price and compelled to the Mills for its payment on daily basis against supplied cane. The sugar prices were depressed at the start of the season. However, gradually increased the sugar prices which supported to Company for payment to Growers and balanced the production cost and helped in improving the profitability.

The Economic Coordination Committee of the Cabinet (ECC) had allowed 500,000 tons of sugar exports till 31st March, 2016 and announced cash subsidy of Rs.13 per Kg. on the export of sugar which was to be shared equally by the Federal Government and Provincial Government equally.

Despite the announcement of cash subsidy the Company did not export the sugar because it was not viable due to depressed sugar prices in the International market.

During the year 2012-13 and 2013-14, the Federal Government announced freight subsidy on sugar export but no payment of the subsidy has yet been made to sugar Mills. Its release by the Federal Government will gibe relief to the Industry from their financial problems.

The Matiari Agricultural Services in continously providing biological cards, Bio-compost to the growers and cultivation of sugar cane on Company's land. The Company earned profit of Rs.20,697,734(2015--Rs.19,276,726) throught agricultural related activities for the year,

DIVIDEND AND BONUS SHARES

On recommendations of the Board of Directors, the Company announced interim dividend at the rate of Rs/5/- per share (50%). The Directors subsequently recommended the said interim divident as final dividend for the year ended 30th September, 2016 The Board of Directors also recommended 10% Bonus Shares to the shareholders whose names are appear in the book on 31st January, 2017. Both are subject to approval of shareholders in the 30th Annual General Meeting.

OPERATIONAL RESULTS:

Brief summary of the operational results is as under:

	2016	2015
Cane Crushing	552,582	559,264
Period of operation number of days	148	159
Recovery Percentage	10.234	10.52
Sugar produced - M.Tons	53,427.50	58,847.5
Capacity ultilization percentage	84.07	83.75

CONTRIBUTION TO THE ECONOMY

The Company's contribution to the National Exchequear stands at Rs.251.683 Million (2015 - Rs.307. 156 Millio) in respect of payments towards Federal Excise Duty, Income tax and other statutory levies. This does not include withholding tax deducted by the Company from Payment made to employees, suppliers, dividend to shareholders etc. and deposited with Government Treasury.

FUTURE PROSPECTS

The crushing season 2016-17 commenced on 3rd November, 2016. The Sindh Government had fixed minimum cane support price for this season at Rs.182 per 40 kgs. The present condition of cane crop in Sindh is more or less same as of the last year . However, Growers are expecting higher price resulting slow cane harvesting.

Due to slow supply of sugar cane to Mills the majority of Members of PSMA (Sindh Zone) decided to stop the crushing from 15 December, 2016 till the regular sugar cane supply resumes. After intervention by the Sindh Government and assurance from the Growers your Mills started the crushing on 22nd December, 2016 alongwith othe sugar Mills, after 08 days stoppage.

Due to bumper crop in Punjab region, the sugar production of the country will be higher as compared to last year and the surplus stock will impact the sale price and affect the profitablity of the Company.

PSMA has approached the Government to allow export of surplus sugar, the Government might allow export and give subsidy to compete the internaional market which will help to set off the surplus sugar. An early decision from the Government will stable the local market prices of sugar.

Matiari Sugar Mills Limited till 9th January, 2017 crushed 220,504 M.Tons cane and produced 21,076 M.Tons sugar at 9.558% sucrose recovery.

New addition of 60 TPH Boiler and 5th Mill by end of January 2017 will increase the availability of steam and enhance crushing capacity and improve the sugar recovery and the effciencyof the plant.

SOCIAL ACTIVITIES:

The Company actively participates in various social work intiatives and contributes generously to various social and charitable causes.

In accordance with the Company's policies to share the benefits with the workers and employees of the company, management has paid bonuses equal to five month's basic salary to all employees of the company and has also paid the allocated amount of WPPF to all the workers.

Your Directors are pleased to report cordial relations between workers and management and appreciate the hard work put in by officers and workers for achieving positive result.

Retiring Auditors M/s. Rahman Sarfraz Rahim Iqbal Rafiq, Chartered Accountants offer themselves for appointent for the year 2016-2017.

PATTERN OF SHAREHOLDING

The pattern of shareholding and categories of shareholders of the Company as on 30th September, 2016 are annexed to this Annual Report.

On behalf of the Board

(SYED SHAFQAT ALI SHAH)
MANAGING DIRECTOR

10th January, 2017

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed Balance Sheet of MATIARI SUGAR MILLS LIMITED ("the Company") as at September 30, 2016, the related profit & loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were becessary for the purpose of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordiance, 1984. responsibility is to express an opinion on these statemetns based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit included examining, on a test basis, evidence supportibg tge amounts and disclosures in the above said statements. An audit also includes assesing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verfication, we report that-

(a) in our opinion, proper books of accounts have been kept by the company as required by the Companies Ordinance, 1984;

(b) in our opinion;

(i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;

(ii) the expenditure incurred during the year was for the purpose of the company's business, and

(iii) the business conducted and the expenditure incurred during the year were in accordance with the objects of the company;

(c) In our opinion and to the best of our information and according to the explanations givene to us, the balance sheet, profit & loss account, stateement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as aplicable in Pakistan, and , give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the company's affairs as at September 30, 2016, and of the Profit, its comprehensive incom, its cash flowes and changes in equity for the year then ended; and

(d) in our opinion, zakat deductable 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.

Rahman Sarfaraz Rahim Iqbal Rafiq

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
CHARTERED ACCOUNTANTS
Engagement Partner: Muhammad Waseem

Karachi
10th January 2017

Financial Statement

MATIARI SUGAR MILLS LTD.

Balance Sheet
As At September 30, 2016

	Note	2016	2015
		------------ (Rupees) ------------	
ASSETS			
Non-current assets			
Property, plant and equipment	4	**2,314,287,899**	2,219,714,816
Investment in subsidiaries	5	**403,312,740**	414,099,792
Long term deposits	6	**24,934,090**	16,802,440
		2,742,534,729	2,650,617,048
Current assets			
Stores, spares and loose tools	7	**115,862,168**	45,982,540
Stock in trade	8	**47,110,578**	1,600,618
Biological assets	9	**21,241,471**	16,060,348
Trade debts - unsecured, considered good		**73,750**	1,806,792
Loans, advances, prepayments and other receivables	10	**466,271,404**	287,007,480
Short term investment	11	**-**	19,706,300
Tax refunds due from government		**268,996,928**	189,654,815
Cash and bank balances	12	**21,471,911**	11,695,790
		941,028,210	573,514,683
Total assets		**3,683,562,939**	3,224,131,731
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
25,000,000 (2015: 25,000,000) ordinary shares		**250,000,000**	250,000,000
Issued, subscribed and paid up capital	13	**225,804,150**	225,804,150
Unappropriated profit		**836,145,446**	897,870,108
		1,061,949,596	1,123,674,258
Surplus on revaluation of property, plant and equipment	14	**1,043,298,905**	1,062,257,136
Non-current liabilities			
Long term finances - secured	15	**311,970,149**	-
Liabilities against assets subject to finance leases	16	**121,414,612**	63,242,357
Deferred liabilities	17	**356,067,657**	411,250,647
		789,452,418	474,493,004
Current liabilities			
Trade and other payables	18	**336,657,070**	341,947,257
Accrued mark up	19	**19,003,466**	11,175,892
Short term borrowings - secured	20	**366,040,083**	141,044,198
Current portion of long term liabilities	21	**64,931,404**	67,622,022
Unclaimed dividend		**2,229,997**	1,917,964
		788,862,020	563,707,333
Total equity and liabilities		**3,683,562,939**	3,224,131,731
Contingencies and commitments	22		

The annexed notes from 1 to 43 form an integral part of these financial statements.

Chief Executive | **Director**

Profit and Loss Account
For The Year Ended September 30, 2016

	Note	2016	(Restated) 2015
		------------- (Rupees) -------------	
Sales - net	23	**2,730,108,987**	2,914,709,123
Cost of sales	24	**(2,579,204,449)**	(2,559,748,362)
Gross profit		**150,904,538**	354,960,761
Administrative expenses	25	**(91,845,319)**	(84,584,901)
Distribution costs	26	**(3,672,137)**	(2,731,327)
Other operating costs	27	**(4,054,222)**	(15,645,683)
		(99,571,678)	(102,961,911)
Operating profit		**51,332,860**	251,998,850
Other income	28	**64,630,687**	29,903,355
		115,963,547	281,902,205
Finance cost	29	**(61,260,937)**	(70,798,860)
Profit before taxation		**54,702,610**	211,103,345
Taxation	30	**3,300,748**	(69,059,996)
Profit after taxation		**58,003,358**	142,043,349
Earnings per share - basic and diluted	37	**2.57**	6.29

The annexed notes from 1 to 43 form an integral part of these financial statements.

Chief Executive **Director**

Statement of Comprehensive Income
For The Year Ended September 30, 2016

	Note	2016	(Restated) 2015
		-------------- (Rupees) --------------	
Profit after taxation		**58,003,358**	142,043,349
Other comprehensive income for the year			
Items that may be reclassified subsequently to profit or loss:			
Revaluation increase recognized during the year - net of deferred tax		-	65,842,747
Reduction of deferred tax liability on surplus on revaluation of property, plant and equipment due to change in tax rate		**7,583,292**	8,773,107
Loss on remeasurement to fair value of investment in subsidiaries classified as available for sale	5	**(10,787,052)**	(13,984,097)
		(3,203,760)	60,631,757
Total comprehensive income for the year		**54,799,598**	202,675,106

The annexed notes from 1 to 43 form an integral part of these financial statements.

Chief Executive **Director**

Statement of Cash Flows
For The Year Ended September 30, 2016

	Note	2016	2015
		------------ (Rupees) ------------	
Cash (used in) / generated from operations	35	**(159,169,309)**	683,889,821
Taxes paid		**(122,968,407)**	(136,624,369)
Finance cost paid		**(53,433,363)**	(72,811,993)
Long term deposits - net		**(8,131,650)**	111,033
Net cash (used in) / generated from operating activities		**(343,702,729)**	474,564,492
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment		**(183,255,081)**	(117,527,430)
Expenditure incurred on cultivation - biological assets		**(21,836,027)**	(40,323,881)
Short term investment - net		**19,706,300**	(1,050,000)
Proceeds from disposal of property, plant and equipment		**4,050,300**	4,194,080
Proceeds from sale of biological assets		**37,352,638**	43,540,259
Investment in subsidiary		**-**	(1,000,000)
Interest on loan to growers received		**2,349,224**	4,095,105
Profit on short term investment received		**1,651,382**	1,851,749
Dividend received		**36,182,900**	-
Net cash used in investing activities		**(103,798,364)**	(106,220,118)
CASH FLOWS FROM FINANCING ACTIVITIES			
Principal repayment on finance lease obligation		**56,195,923**	(46,307,712)
Repayment of long term finances		**(15,000,000)**	(20,000,000)
Long term finance obtained		**326,255,863**	-
Dividend paid		**(135,170,457)**	(90,475,579)
Short term borrowings - net		**202,842,108**	(232,997,108)
Net cash generated from / (used in) financing activities		**435,123,437**	(389,780,399)
Net decrease in cash and cash equivalents during the year		**(12,377,656)**	(21,436,025)
Cash and cash equivalents at the beginning of the year		**(65,190,516)**	(43,754,491)
Cash and cash equivalents at the end of the year		**(77,568,172)**	(65,190,516)
Cash and cash equivalents comprise the following:			
Cash and bank balances	12	**21,471,911**	11,695,790
Short term borrowings - running finance	20	**(99,040,083)**	(76,886,306)
		(77,568,172)	(65,190,516)

The annexed notes from 1 to 43 form an integral part of these financial statements.

Chief Executive **Director**

Statement of Changes in Equity
For The Year Ended September 30, 2016

	Issued, subscribed and paid up capital	Unappropriated profit	Surplus on revaluation of property, plant and equipment - net	Total
	---------- (Rupees) ----------			
Balance as at September 30, 2014	225,804,150	847,315,760	1,000,458,037	2,073,577,947
Transfer of incremental depreciation from surplus on revaluation of property, plant and equipment - net of deferred tax (restated)	-	12,816,756	(12,816,756)	-
Total comprehensive income for the year ended September 30, 2015:				
- Profit after taxation (restated)	-	142,043,349	-	142,043,349
- Other comprehensive income (restated)	-	(13,984,097)	74,615,854	60,631,757
	-	128,059,252	74,615,854	202,675,106
Transactions with owners				
Dividend paid @ 40%	-	(90,321,660)	-	(90,321,660)
Balance as at September 30, 2015 (restated)	**225,804,150**	**897,870,108**	**1,062,257,135**	**2,185,931,393**
Transfer of incremental depreciation from surplus on revaluation of property, plant and equipment - net of deferred tax (restated)	**-**	**26,541,522**	**(26,541,522)**	**-**
Total comprehensive income for the year ended September 30, 2016:				
- Profit after taxation	**-**	**58,003,358**	**-**	**58,003,358**
- Other comprehensive income	**-**	**(10,787,052)**	**7,583,292**	**(3,203,760)**
	-	**47,216,306**	**7,583,292**	**54,799,598**
Transactions with owners				
Dividend paid @ 60%	**-**	**(135,482,490)**	**-**	**(135,482,490)**
Balance as at September 30, 2016	**225,804,150**	**836,145,446**	**1,043,298,905**	**2,105,248,501**

The annexed notes from 1 to 43 form an integral part of these financial statements.

Chief Executive

Director

Notes to the Financial Statements
For the Year Ended September 30, 2016

1 THE COMPANY AND ITS OPERATIONS

The Company was incorporated in Pakistan as a public unlisted company on May 26, 1987 under the Companies Ordinance, 1984 . The principal business of the Company is the manufacture and sale of white sugar. The mill is located at Matiari, Sindh. The registered office of the Company is situated at Matiari House C-48, K.D.A Scheme No 1, Karachi, Pakistan.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention unless otherwise stated.

2.3 Functional and presentation currency

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

2.4 Significant accounting estimates and judgments

The preparation of financial statements is in conformity with approved accounting standards, as applicable in Pakistan, which requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values 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 on going basis. Revision to an accounting estimate are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of approved accounting standards, as applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the future periods are as follows:

- Useful lives, residual values and revaluation of property, plant and equipment (Note 3.2)
- Investment in subsidiaries (Note 3.3.3)
- Provision for obsolete / slow moving stores and spares (Note 3.4)
- Taxation (Note 3.12)

2.5 Standards, amendments or interpretations which became effective during the year

During the period, certain amendments to standards or new interpretations became effective, however, the amendments or interpretation did not have any material effect on the financial statements of the Company.

2.6 New / revised accounting standards, amendments to published accounting standards, and interpretations that are not yet effective

The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after the dates specified below and the Company does not expect to have any material / significant changes in its accounting policy except for disclosures, where applicable:

- Amendments to IAS 38 'Intangible Assets' and IAS 16 'Property, Plant and Equipment' (effective for annual periods beginning on or after 1 January 2016) introduce severe restrictions on the use of revenue-based amortization for intangible assets and explicitly state that revenue-based methods of depreciation cannot be used for property, plant and equipment. The rebuttable presumption that the use of revenue-based amortisation methods for intangible assets is inappropriate can be overcome only when revenue and the consumption of the economic benefits of the intangible asset are 'highly correlated', or when the intangible asset is expressed as a measure of revenue. The amendments are not likely to have an impact on the Company's financial statements.

- Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10 - Consolidate Financial Statements and IAS 28 - Investments in Associates and Joint Ventures) [effective date is yet to be determined by IASB] clarifies (a) which subsidiaries of an investment entity are consolidated; (b) exemption to present consolidated financial statements is available to a parent entity that is a subsidiary of an investment entity; and (c) how an entity that is not an investment entity should apply the equity method of accounting for its investment in an associate or joint venture that is an investment entity. The amendments are not likely to have an impact on Company's financial statements.

  Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) [effective date is yet to be determined by IASB]. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The adoption of these amendments is not likely to have an impact on the Company's financial statements.

- Accounting for Acquisitions of Interests in Joint Operations - Amendments to IFRS 11 'Joint Arrangements' (effective for annual periods beginning on or after 1 January 2016) clarify the accounting for the acquisition of an interest in a joint operation where the activities of the operation constitute a business. They require an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a business. The amendments are not likely to have an impact on Company's financial statements.

- Amendment to IAS 27 'Separate Financial Statements' (effective for annual periods beginning on or after January 2016) allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. The amendment is not likely to have an impact on Company's financial statements.

- Agriculture: Bearer Plants [Amendment to IAS 16 and IAS 41] (effective for annual periods beginning on or after 1 January 2016). Bearer plants are now in the scope of IAS 16 Property, Plant and Equipment for measurement and disclosure purposes. Therefore, a company can elect to measure bearer plants at cost. However, the produce growing on bearer plants will continue to be measured at fair value less costs to sell under IAS 41 'Agriculture'. A bearer plant is a plant that is used in the supply of agricultural produce; is expected to bear produce for more than one period; and has a remote likelihood of being sold as agricultural produce. Before maturity, bearer plants are accounted for in the same way as self-constructed items of property, plant and equipment during construction. The amendments are not likely to have an impact on the Company's financial statements.

- Amendments to IAS 12 'Income Taxes' are effective for annual periods beginning on or after 1 January 2017. The amendments clarify that the existence of a deductible temporary difference depends solely on a comparison of the carrying amount of an asset and its tax base at the end of the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset. The amendments are not likely to have an impact on the Company's financial statements.

- Amendments to IAS 7 'Statement of Cash Flows' are part of the IASB's broader disclosure initiative and are effective for annual periods beginning on or after 1 January 2017. The amendments require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes.

- Amendments to IFRS 2 - Share-based Payment clarify the accounting for certain types of arrangements and are effective for annual periods beginning on or after 1 January 2018. The amendments cover three accounting areas (a) measurement of cash-settled share-based payments; (b) classification of share-based payments settled net of tax withholdings; and (c) accounting for a modification of a share-based payment from cash-settled to equity-settled. The new requirements could affect the classification and/or measurement of these arrangements and potentially the timing and amount of expense recognised for new and outstanding awards. The amendments are not likely to have an impact on the Company's financial statements.

Annual Improvements 2012-2014 cycles (amendments are effective for annual periods beginning on or after 1 January 2016). The new cycle of improvements contain amendments to the following standards:

- IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'. IFRS 5 is amended to clarify that if an entity changes the method of disposal of an asset (or disposal group) i.e. reclassifies an asset from held for distribution to owners to held for sale or vice versa without any time lag, then such change in classification is considered as continuation of the original plan of disposal and if an entity determines that an asset (or disposal group) no longer meets the criteria to be classified as held for distribution, then it ceases held for distribution accounting in the same way as it would cease held for sale accounting.

- IFRS 7 'Financial Instruments - Disclosures'. IFRS 7 is amended to clarify when servicing arrangements on continuing involvement in transferred financial assets in cases when they are derecognized in their entirety are in the scope of its disclosure requirements. IFRS 7 is also amended to clarify that additional disclosures required by 'Disclosures: Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS7)' are not specifically required for inclusion in condensed interim financial statements for all interim periods.

- IAS 19 'Employee Benefits'. IAS 19 is amended to clarify that high quality corporate bonds or government bonds used in determining the discount rate should be issued in the same currency in which the benefits are to be paid.

IAS 34 'Interim Financial Reporting'. IAS 34 is amended to clarify that certain disclosures, if they are not included in the notes to interim financial statements and disclosed elsewhere should be cross referred.

The above amendments are not likely to have an impact on the Company's financial statements.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Correction of prior period errors

International Accounting Standard (IAS) 12 'Income Taxes' requires current and deferred tax to be recognized as income or as an expense and included in profit or loss for the period except to the extent that the tax arises from a transaction or event which is recognized, in the same or a different period, outside profit or loss, either in other comprehensive income or directly in equity. In view of this requirement, subsequent reversal of deferred tax liability on surplus on revaluation of property, plant and equipment associated with the incremental depreciation charge (recognized in profit or loss for the periods subsequent to revaluation of an item of property, plant and equipment) should also be recognized in profit or loss. However, such reversals were instead regularly credited directly to retained earnings till the year ended September 30, 2015 that, therefore, required necessary correction accordingly.

Further, though the changes in revaluation surplus arising from revised revaluations carried out in the previous years and as well as the reversal of deferred tax liability on revaluation surplus due to change in tax rate had been credited to revaluation surplus, the same had not been presented as items of other comprehensive income in the statement of comprehensive income. Therefore, in order to adopt the required presentation, the corresponding figures in the statement of comprehensive income have been re-presented that otherwise has no financial impact.

The correction of the above errors has been accounted for retrospectively in accordance with the requirements of International Accounting Standard (IAS) 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and corresponding figures have been restated. However, as these restatements have no effect on the balance sheet as at the beginning of the earliest period presented (i.e. as of October 01, 2014), the same has not been presented.

As noted above, the retrospective correction of the above errors has no effect on the statement of financial position as at October 01, 2014 and as at September 30, 2015. However, the effects on comprehensive income for the year ended September 30, 2015 are as presented below:

Effects on comprehensive income for the year ended September 30, 2015	**Rupees**
Effects on profit or loss account	
Decrease in deferred tax expense	**5,758,253**
Increase in earnings per share - basic and diluted	**0.26**

Effects on other comprehensive income

The effects of the following items already recognized correctly in surplus of revaluation of property, plant and equipment but not erroneously presented as other comprehensive income have now been presented as other comprehensive income in the statement of comprehensive income:

	Rupees
Increase in revaluation surplus due to revised valuation carried out during the year	**65,842,747**
Reversal of deferred tax liability on revaluation surplus due to change in tax rate	**8,773,107**
Increase in other comprehensive income	**74,615,854**
Increase in total comprehensive income	**80,374,107**

3.2 Property, plant and equipment

Owned

These are stated at cost less accumulated depreciation, except for freehold land, building and plant & machinery which are stated at revalued amount less accumulated depreciation and accumulated impairment loss and capital work-in-progress which are stated at cost.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and its cost can be measured reliably. Cost incurred to replace a component of an item of property and equipment is capitalized, the asset so replaced is retired from use and its carrying amount is derecognized. Normal repairs and maintenance are charged to profit and loss account during the period in which they are incurred.

Depreciation on additions is charged for the quarter in which an asset is put to use and no depreciation is charged in the quarter in which assets are disposed. Depreciation on all property, plant and equipment is charged to profit and loss account using the reducing balance method over the asset's useful life at the rates stated in note 4.1.

Disposal of an item of property and equipment is recognized when significant risks and rewards incidental to ownership have been transferred to buyers. Gains and losses on disposal of fixed assets are included in income currently.

An item of property, plant and equipment is derecognized upon 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 the carrying amount of the asset) is included in the profit and loss account in the year in which the asset is derecognized.

The assets' residual values, useful lives are reviewed, and adjusted if appropriate, at each financial year end. The Company's estimate of residual value of property and equipment as at 30 September 2016 did not require any adjustment as its impact is considered insignificant.

Capital work in progress is stated at cost and consists of expenditure incurred and advances made in respect of property, plant and equipment in the course of their construction and installation. Transfers are made to relevant asset's category as and when assets are available for intended use.

Leased

Assets subject to finance lease are initially recorded at the lower of the present value of minimum lease payments under the lease agreements and the fair value of the leased assets each determined at the inception of lease. Subsequent to initial recognition, the asset is stated at the amount determined at initial recognition less accumulated depreciation and impairment losses, if any.

Leased assets are depreciated on reducing balance method at the same rates as Company's owned assets as disclosed in the note 4.2 to the financial statements.

3.3 Financial instruments

Financial assets and financial liabilities are initially recognized at fair value plus, in the case financial assets not at fair value through profit or loss, attributable transaction costs when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual right to the cash flow from the financial assets expire or is transferred. Financial liabilities are derecognised when they are extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires. Financial instruments carried on the balance sheet include investment in subsidiaries, long term deposits, trade debts, loans and other receivables, short term investment, cash and bank balances, long term finance, trade and other payables (excluding Workers' Profit Participation Fund, Workers' Welfare Fund, payable to provident fund, advance from customers, sales tax payable and income tax deducted at source) and short term finance including accrued markup thereon. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

3.3.1 Classification of financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss, held to maturity, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. The Company classifies its investments in the following categories:

a) Available for sale

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. These are primarily those investments that are intended to be held for an undefined period of time or may be sold in response to the need for liquidity. They are included in non-current assets unless the investment matures or management intends to dispose off it within 12 months of the end of the reporting date.

b) Held for trading

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorized as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

c) Held to maturity

Investments with a fixed maturity where the Company has the intent and ability to hold to maturity are classified as held to maturity investments. Held-to-maturity investments are carried at amortised cost using the effective interest rate method, less any impairment losses.

d) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period.

3.3.2 Recognition and measurement of financial assets

Regular purchases and sales of financial assets are recognised on the trade date – the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the profit and loss account. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the profit and loss account within income / expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the profit and loss account as part of operating income when the Company's right to receive payments is established.

Changes in fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the profit and loss account as 'gains and losses from investment securities'.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the profit and loss account as part of other income. Dividends on available for sale equity instruments are recognised in the profit and loss account as part of other income when the Company's right to receive payments is established.

3.3.3 Investment in subsidiaries

The Company considers its subsidiary to be such in which the Company have ownership of not less than fifty percent of the voting power and / or has control through common directorship.

The Company accounts for its investment in subsidiaries initially at cost, being the fair value of consideration given includes acquisition charges associated with such investments. Subsequently, the investment is classified as available for sale and carried at fair value. The fair value of the quoted equity instruments is determined by using market value at each reporting date and for unquoted equity instruments by using the alternative techniques for the valuation of unquoted equity instruments.

3.3.4 Off-setting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the balance sheet, if the Company has a legally enforceable right to setoff the recognised amounts and the Company intends to settle either on a net basis or realise the asset and settle the liability simultaneously.

3.4 Stores, spares and loose tools

Stores, spares and loose tools excluding items in transit are valued at lower of average cost and net realizable value. Provision is made for slow moving and obsolete items.

Items in transit are valued at cost comprising invoice values plus other charges incurred thereon accumulated to the balance sheet date.

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

Provisions are made in the financial statements for obsolete and slow moving inventory based on management's best estimate regarding there future usability.

3.5 Stock in trade

Stock in trade are valued at the lower of cost and net realisable value except for stock in transit which is valued at invoice price and related expenses incurred up to the balance sheet date. Cost includes cost of direct materials, labour and appropriate portion of manufacturing overheads. Items in transit are stated at cost comprising invoice value and other incidental charges paid thereon.

Net realisable value is determined on the basis of estimated selling price of the product in the ordinary course of business less costs necessary to be incurred for its sale.

Cost is determined as follows:

Work in process	:	at average raw material cost plus attributable production overheads
Finished goods	:	at average manufacturing cost including available production overheads
Molasses	:	at net realisable value

3.6 Biological assets

Biological assets are measured at their fair value less their point of sale costs. Gain / (loss) on such measurement is recognized in profit and loss account. Gain / (loss) on disposal of biological asset is recognized in profit and loss account in the year of disposal.

3.7 Trade debts and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period.

These are carried at original invoice amount/cost, which is the fair value of the consideration to be received, less an estimate made for doubtful receivables which is determined based on management review of outstanding amounts and previous repayment pattern. Balance considered bad and irrevocable are written off.

3.8 Cash and cash equivalents

Cash in hand and at banks, short term bank deposits and short term running finances, if any, are carried at cost. For the purpose of cash flow statement, cash and cash equivalents consists of cash in hand and deposits in bank, net of short term running finances (if any) and short term investments that are highly liquid in nature, readily convertible into known amounts of cash and subject to insignificant risks of changes in value.

3.9 Impairment of assets

Financial assets
A financial asset is assessed at each balance sheet date to determine whether there is any objective evidence that it is impaired. 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 that asset.

In case of investment in equity securities classified as available for sale and measured at fair value, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the assets are impaired. If any such evidence exists, the cumulative loss measured as a difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised is transferred from equity and recognised in the profit and loss account. Such impairment losses are not subsequently reversed through the profit and loss account.

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. All impairment losses are recognised in profit and loss account.

Non - financial assets
The carrying amount of the Company's non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its estimated recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Impairment losses are recognised in profit and loss account.

3.10 Employee benefits

a) Compensated absences

The Company accounts for all accumulated compensated absences when employees render services that increase their entitlement to future compensated absences.

b) Staff retirement benefits - Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution and will have no legal or constructive obligation to pay further amounts. Obligations for the defined contributions plans are recognised as an employee benefit expense in profit or loss when they are due.

The Company operates a recognised provident fund scheme, with effect from 01 October 1991. The Scheme is applicable to all permanent employees of the Company. Equal monthly contributions are made by the Company and employees respectively @ 10% per annum of the basic salary. Company's contributions are charged to profit and loss account.

3.11 Trade and other payables

Trade and other payables are obligations to pay for goods and services that have been acquired in ordinary course of business from suppliers. Accounts payable are classified as current if payment is due within one year or less (or in normal operating cycle of business, if longer), if not, they are classified as non current liabilities. Liabilities for trade and other amounts payable are carried at amortised cost.

3.12 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognized in the profit and loss account, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In that case the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current
Current tax is the amount of tax payable on taxable income for the year, using tax rate enacted by or substantively enacted at the balance sheet date, and any adjustment to the tax payable in respect of previous year. Provision for current tax is based on higher of the taxable income at current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any or minimum tax u/s 113 of Income Tax Ordinance, 2001 after taking into account tax credits or Alternative corporate tax u/s 113C of Income Tax Ordinance, 2001. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an asset.

Deferred
Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences at the balance sheet date between the tax base and carrying amount of assets and liabilities for financial reporting purposes.

Deferred tax liabilities are generally 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 profit will be available against which the deductible temporary differences and /or carry forward of unused tax losses or tax credits can be utilized.

The carrying amount of all 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 assets to be utilized.
Deferred tax assets and liabilities are 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 tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

3.13 Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates and government levies. The revenue is recognised on following basis:

- Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer and other criteria for revenue recognition prescribed in the applicable financial reporting framework have met which coincides with the dispatch of goods to customers.
- Interest income is recognized using the effective interest rate method.
- Dividend income is recognised when the right to receive the dividend is established.

3.14 Foreign currency translation

Foreign currency transactions (if any) are translated into functional currency at the rates of exchange prevailing on the date of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into functional currency equivalents using year-end spot foreign exchange rates. Non-monetary assets are translated using exchange rates that existed when the values were determined. Exchange differences on foreign currency translations are included in income currently.

3.15 Provisions

Provision is recognized when, as a result of past event, the Company has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Subsequently, provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

3.16 Borrowing costs

Borrowing costs are recognised as an expense in the year in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalised as part of the cost of the relevant asset.

3.17 Dividend and appropriation to reserve

Dividend distribution to the Company's shareholders and appropriation to reserves are recognised as a liability in the financial statements in the period in which these are approved. Transfer between reserves made subsequent to the balance sheet date is considered as a non adjusting event and is recognized in the financial statements in the period in which such transfers are made.

4 PROPERTY, PLANT AND EQUIPMENT	**Note**	**2016**	2015
		Rupees	
Operating assets - Owned assets	4.1	**2,039,464,474**	1,963,590,710
Operating assets - Leased assets	4.2	**119,527,723**	256,124,106
		2,158,992,197	2,219,714,816
Capital work in progress	4.5	**155,295,702**	-
		2,314,287,899	2,219,714,816

4.1 Owned assets

Description	Freehold land	Factory building on freehold land	Non-factory building on freehold land	Plant and machinery	Furniture, fixtures and office equipments	Electrical equipments and installations	Computers	Vehicles	Tools, fire fighting equipment and arms and ammunition	Total
As at October 01, 2014										
Cost / revalued amount	440,775,000	291,572,907	83,950,528	1,813,959,420	9,754,129	17,850,579	7,893,986	36,316,360	3,638,231	2,705,711,140
Accumulated depreciation	-	(87,477,617)	(31,637,315)	(624,361,129)	(6,726,199)	(9,753,443)	(7,613,275)	(24,753,590)	(2,224,563)	(794,547,131)
Net book value	**440,775,000**	**204,095,290**	**52,313,213**	**1,189,598,291**	**3,027,930**	**8,097,136**	**280,711**	**11,562,770**	**1,413,668**	**1,911,164,009**
Year ended September 30, 2015										
Opening net book value	440,775,000	204,095,290	52,313,213	1,189,598,291	3,027,930	8,097,136	280,711	11,562,770	1,413,668	1,911,164,009
Additions during the year	94,101,800	-	-	6,000,000	1,613,820	2,182,635	-	4,251,000	108,175	108,257,430
Tranfers from leased assets										
Cost / revalued amount				-	-	-	-	42,463,816	-	42,463,816
Accumulated depreciation	-	-	-	-	-	-	-	(21,999,342)	-	(21,999,342)
	-	-	-	-	-	-	-	20,464,474	-	20,464,474
Revaluation	135,123,200	(38,618,864)	(25,969,214)	(35,818,376)	-	-	-	-	-	34,716,746
Disposals / transfers										
Cost / revalued amount	-	-	-	34,971,064	-	-	-	4,200,158	-	39,171,222
Accumulated depreciation	-	-	-	(1,748,553)		-	-	(3,252,783)	-	(5,001,336)
	-	-	-	33,222,511	-	-	-	947,375	-	34,169,886
Depreciation for the year	-	(10,204,764)	(2,615,661)	(59,779,915)	(410,158)	(930,210)	(84,213)	(2,667,074)	(150,068)	(76,842,063)
Closing net book value	**670,000,000**	**155,271,662**	**23,728,338**	**1,066,777,489**	**4,231,592**	**9,349,561**	**196,498**	**32,663,795**	**1,371,775**	**1,963,590,710**
As at September 30, 2015										
Cost / revalued amount	670,000,000	252,954,043	57,981,314	1,749,169,980	11,367,949	20,033,214	7,893,986	78,831,018	3,746,406	2,851,977,910
Accumulated depreciation	-	(97,682,381)	(34,252,976)	(682,392,491)	(7,136,357)	(10,683,653)	(7,697,488)	(46,167,223)	(2,374,631)	(888,387,200)
Net book value	**670,000,000**	**155,271,662**	**23,728,338**	**1,066,777,489**	**4,231,592**	**9,349,561**	**196,498**	**32,663,795**	**1,371,775**	**1,963,590,710**
Year ended September 30, 2016										
Opening net book value	670,000,000	155,271,662	23,728,338	1,066,777,489	4,231,592	9,349,561	196,498	32,663,795	1,371,775	1,963,590,710
Additions during the year	-	-	-	-	2,382,531	2,235,823	-	186,375	62,150	4,866,879
Tranfers from leased assets										
Cost / revalued amount	-	-	-	177,650,000	-	-	-	-	-	177,650,000
Accumulated depreciation	-	-	-	(29,209,226)	-	-	-	-	-	(29,209,226)
	-	-	-	148,440,774	-	-	-	-	-	148,440,774
Revaluation	-	-	-	-	-	-	-	-	-	-
Disposals		-	-	-	-	-	-	-	-	-
Cost / revalued amount	-	-	-	-	-	-	-	5,679,300	-	5,679,300
Accumulated depreciation	-	-	-	-	-	-	-	(4,205,741)	-	(4,205,741)
	-	-	-	-	-	-	-	1,473,559	-	1,473,559
Depreciation for the year	-	(7,763,583)	(1,186,417)	(58,638,721)	(568,834)	(1,116,993)	(58,949)	(6,483,440)	(143,393)	(75,960,330)
Closing net book value	**670,000,000**	**147,508,079**	**22,541,921**	**1,156,579,542**	**6,045,289**	**10,468,391**	**137,549**	**24,893,171**	**1,290,532**	**2,039,464,474**
As at September 30, 2016										
Cost / revalued amount	670,000,000	252,954,043	57,981,314	1,926,819,980	13,750,480	22,269,037	7,893,986	73,338,093	3,808,556	3,028,815,489
Accumulated depreciation	-	(105,445,964)	(35,439,393)	(770,240,438)	(7,705,191)	(11,800,646)	(7,756,437)	(48,444,922)	(2,518,024)	(989,351,015)
Net book value	**670,000,000**	**147,508,079**	**22,541,921**	**1,156,579,542**	**6,045,289**	**10,468,391**	**137,549**	**24,893,171**	**1,290,532**	**2,039,464,474**
Annual rate of depreciation	**-**	**5%**	**5%**	**5%**	**10%**	**10%**	**30%**	**20%**	**10%**	

4.1.1 Had there been no revaluation, the carrying value of the following assets would have been:

	2016	2015
	Rupees	
Freehold land	**130,990,010**	130,990,010
Building	**139,400,095**	146,736,942
Plant and Machinery	**466,816,711**	340,711,351
	737,206,816	618,438,303

4.2 Leased assets

	Plant and machinery	Vehicles	Total
	Rupees		
As at October 01, 2014			
Cost	246,253,565	42,463,816	288,717,381
Accumulated depreciation	(19,857,693)	(16,883,224)	(36,740,917)
Net book value	**226,395,872**	**25,580,592**	**251,976,464**
Year ended September 30, 2015			
Opening net book value	226,395,872	25,580,592	251,976,464
Additions during the year	42,492,511	-	42,492,511
Transfer to owned assets:			
Cost	-	(42,463,816)	(42,463,816)
Accumulated depreciation	-	21,999,342	21,999,342
	-	(20,464,474)	(20,464,474)
Depreciation for the year	(12,764,277)	(5,116,118)	(17,880,395)
Closing net book value	**256,124,106**	**-**	**256,124,106**
As at September 30, 2015			
Cost	288,746,076	-	288,746,076
Accumulated depreciation	(32,621,970)	-	(32,621,970)
Net book value	**256,124,106**	**-**	**256,124,106**
Year ended September 30, 2016			
Opening net book value	256,124,106	-	256,124,106
Additions during the year	-	23,092,500	23,092,500
Transfer to owned assets:			
Cost	(177,650,000)	-	(177,650,000)
Accumulated depreciation	29,209,226	-	29,209,226
	(148,440,774)	-	(148,440,774)
Depreciation for the year	(7,506,359)	(3,741,750)	(11,248,109)
Closing net book value	**100,176,973**	**19,350,750**	**119,527,723**
As at September 30, 2016			
Cost	111,096,076	23,092,500	134,188,576
Accumulated depreciation	(10,919,103)	(3,741,750)	(14,660,853)
Net book value	**100,176,973**	**19,350,750**	**119,527,723**
Annual rate of depreciation	**5%**	**20%**	

4.3 Depreciation for the year has been allocated as follows:

	Note	2016	2015
		Rupees	
Cost of sales	24	**82,838,906**	89,111,969
Administrative expenses	25	**4,369,533**	5,610,489
		87,208,439	94,722,458

4.4 Details of disposal of property, plant and equipment during the year are as follows:

Particulars	Cost	Accumulated depreciation	Written down value	Sale value	Gain / (loss)	Mode of disposal	Particulars of Buyer
	---Rupees---						
Vehicles:							
Potohar Bc-6180	618,000	590,820	27,180	415,000	387,820	Negotiation	Mr. Ali ghulam
Potohar Bc-6101	618,000	590,820	27,180	415,000	387,820	Negotiation	Mr. Ali ghulam
Suzuki Jimny Jeep Bf-0151	1,495,000	1,181,476	313,524	1,030,000	716,476	Negotiation	Mr. Jamal
Cultus Ayj-979	990,000	559,152	430,848	990,000	559,152	Negotiation	Mr. Tauseef Ahmed Qureshi
Honda CD70 HAP-0317	65,900	45,251	20,649	65,900	45,251	Negotiation	Abdul Razzaque
Honda CD70 HAP-4128	65,900	45,251	20,649	65,900	45,251	Negotiation	Ghulam Ali
Honda CD70 HAR-7993	68,500	47,036	21,464	68,500	47,036	Negotiation	Muhammad Riaz
Honda CivicAxc-340	1,758,000	1,145,935	612,065	1,000,000	387,935	Negotiation	Mr. Dost Mohammad Baloch
Total Rupees	**5,679,300**	**4,205,741**	**1,473,559**	**4,050,300**	**2,576,741**		

4.5 Capital work in progress

		2016	2015
		Rupees	
As at 1st October		-	-
Addition during the year		**155,295,702**	-
Transferred to operating assets		-	-
As at 30 September		**155,295,702**	-

4.5.1 This represents expenditure incurred on construction work in progress pertaining to boiler and other related items to increase the mill capacity.

5 INVESTMENT IN SUBSIDIARIES - Available for sale

2016	2015		Note	2016	2015
(Number of shares)				Rupees	
14,473,160	14,473,160	Matol (Private) Limited	5.1	**402,312,740**	413,099,792
100,000	100,000	Matiati Flour Mills (Private) Limit	5.2	**1,000,000**	1,000,000
14,573,160	14,573,160			**403,312,740**	414,099,792

5.1 Investment in Matol (Private) Limited

	Note	2016	2015
		Rupees	
Original cost as at October 01		**144,731,600**	144,731,600
Cumulative fair value increase as at October 01 - net		**268,368,192**	282,352,289
		413,099,792	427,083,889
Loss on remeasurement to fair value during the year	5.1.1	**(10,787,052)**	(13,984,097)
		402,312,740	413,099,792

5.1.1 The Company's present shareholding in Matol (Private) Limited (MPL) is 14,473,160 (2015: 14,473,160) shares of Rs.10 each i.e. 66.21% (2015: 66.21 %). The shares of MPL are not quoted on Pakistan Stock Exchange. The fair value of the shares has been determined using well-established and widely recognized valuation methodologies. The breakup value per share of MPL (including surplus on revaluation of property, plant and equipment) as of June 30, 2016 is Rs. 27.8/- (2015: 28.54/-).

5.2 The Company's present shareholding in Matiari Flour Mills (Private) Limited (MFML) is 100,000 (2015: 100,000) shares of Rs.10 each i.e. 99.95% (2015: 99.95%). The shares of MFML are not quoted on Pakistan Stock Exchange. As at the reporting date, the fair value of the investment is not materially different from its original cost. The breakup value per share of MFML (including the impact of advance received against issue of ordinary shares treated as equity) as at June 30, 2016 is Rs. 1,092.30 (2015: Rs. 1,263.73).

	2016	2015
	Rupees	

6 LONG TERM DEPOSITS

Lease	**23,788,617**	15,776,967
Utilities	**919,473**	819,473
Others	**226,000**	206,000
	24,934,090	16,802,440

7 STORES, SPARES AND LOOSE TOOLS

Stores	**3,163,249**	11,259,972
Spares	**126,317,698**	49,055,363
Loose tools	**2,891,221**	2,177,205
	132,372,168	62,492,540
Less: Provision for slow moving and obsolete items	**(16,510,000)**	(16,510,000)
	115,862,168	45,982,540

8 STOCK IN TRADE

Work in process	**635,725**	577,722
Finished goods	**46,474,853**	1,022,896
	47,110,578	1,600,618

9 BIOLOGICAL ASSETS

Carrying value at the beginning of the year	**16,060,348**	-
Additions due to cultivation	**21,836,027**	40,323,881
Change in fair value less costs to sell	**20,697,734**	19,276,726
	58,594,109	59,600,607
Deduction due to harvesting	**(37,352,638)**	(43,540,259)
Carrying value at the end of the year	**21,241,471**	16,060,348

9.1 Operations and principal activities

The Company's principal activities in relation to above biological assets comprises of managing the biological transformation of assets such as sugar cane, seeds, wheat, onion, bio-composites and tricho cards and supply thereof to sugar cane growers and other parties.

		Note	2016	2015
10	**LOANS, ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES**		Rupees	
	Loans to growers - secured, considered good		**31,506,712**	90,226,294
	Advances - unsecured, considered good			
	Against equity	10.1	**149,529,594**	147,000,000
	Suppliers		**265,429,401**	30,490,002
	Expenses		**1,182,327**	4,609,203
	Others		**8,442,517**	7,296,489
			424,583,839	189,395,694
	Receivable from provident fund		**248,510**	-
	Prepaid insurance		**1,832,957**	1,817,503
	Sales tax receivable		**-**	1,829,737
	Deposits		**7,500,000**	3,000,000
	Accrued interest		**599,386**	738,252
			466,271,404	287,007,480

10.1 This represents advances given to following parties in respect of purchase of further ordinary shares to be issued by the entities:

	Note	2016	2015
		Rupees	
Matiari Flour Mills (Private) Limited		**147,000,000**	147,000,000
Matiari Health Services (Private) Limited		**2,529,594**	-
		149,529,594	147,000,000

11 SHORT TERM INVESTMENT

	2016	2015
Term deposit certificate (MCB Bank Limited)	**-**	14,706,300
Term deposit certificate (First Credit Investment Bank Limited)	**-**	5,000,000
	-	19,706,300

12 CASH AND BANK BALANCES

	Note	2016	2015
Cash in hand		**132,289**	136,130
Cash at banks			
Savings accounts	12.1	**6,087,195**	2,122,794
Current accounts		**15,252,427**	9,436,866
		21,339,622	11,559,660
		21,471,911	11,695,790

12.1 These carry markup at the rate ranging from 3.75% to 4% (2015: 3.69% to 5%).

13 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2016	2015		2016	2015
Number of shares			Rupees	
6,525,000	6,525,000	Ordinary shares of Rs. 10/- each fully paid in cash	**65,250,000**	65,250,000
16,055,415	16,055,415	Ordinary shares of Rs. 10/- each issued as fully paid bonus shares	**160,554,150**	160,554,150
22,580,415	22,580,415		**225,804,150**	225,804,150

14	SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	Note	2016	2015
			Rupees	
	Gross surplus			
	Balance as at October 01		**1,297,339,186**	1,281,197,449
	Revaluation increase recognized during the year		**-**	34,716,746
	Incremental depreciation transferred to retained earnings		**(37,916,460)**	(18,575,009)
			1,259,422,726	1,297,339,186
	Related deferred tax charge			
	Balance as at October 01		**(235,082,051)**	(280,739,411)
	Effect of change in tax rate		**7,583,292**	8,773,107
	Revaluation increase recognized during the year		**-**	31,126,001
	Incremental depreciation transferred to retained earnings		**11,374,938**	5,758,253
			(216,123,821)	(235,082,050)
		14.1	**1,043,298,905**	1,062,257,136

14.1 Revaluation of land, buildings and plant and machinery was carried out by M/s. Oceanic Surveyors (Pvt.) Limited on the basis of present market value . This represents surplus over book values resulting from the revaluation of plant and machinery carried out in the year 2003, 2006, 2009, 2012 and 2015 adjusted by surplus realized on disposal, if any, of revalued assets, incremental depreciation and deferred tax rate adjustment arising out of revaluation.

15	LONG TERM FINANCES - Secured	Note	2016	2015
			Rupees	
	Conventional banks			
	Pair Investment Company Limited	15.1	**100,000,000**	15,000,000
	Less: current maturity shown under current liabilities	21	**(14,285,714)**	(15,000,000)
			85,714,286	**-**
	MCB Bank Limited	15.2	**89,200,000**	-
			174,914,286	**-**
	Islamic banks			
	MCB Islamic Bank Limited	15.3	**137,055,863**	-
	Total long term financing as at the year end		**311,970,149**	-

15.1 This represents term finance facility of Rs.100 million obtained during the year for expansion of plant and machinery. The loan is repayable in 14 equal quarterly installments commencing from April 20, 2017 and carries mark up at the rate of 3 months KIBOR plus 2.5% per annum. The loan is secured by 1st Pari passu charge on fixed assets of the Company i.e. plant and machinery of Rs.120 million along with land and building of Rs.40 million. and personal guarantees of directors.

15.2 This represents Demand Finance (DF) facility obtained for the purchase of Boiler from Heavy Mechanical Complex. The DF, upon its expiry on February 28, 2017, is due to be converted into Lease Finance (LF) which will then extend over a period of 4 years from the date of its inception. The DF carries markup at the rate of 1 year KIBOR plus 1.75% payable in quarterly installments and is secured by 2nd ranking charge of Rs. 256 million over plant and machinery of the Company.

15.3 This represents Diminishing Musharika facility of Rs. 180 million obtained for the purchase of machinery items for mill house ('diminishing musharika assets') . The facility carries profit at the rate of 3 months KIBOR plus 1.6% with floor of 5% and cap of 25%. The repayment terms of the facility are yet to be agreed with the bank which will be brought into effect upon disbursement by the bank of the entire finance of Rs. 180 million sanctioned in the agreement. The loan is secured by 1st exclusive charge of Rs. 190 million over specific diminishing musharika assets and temporary ranking charge over plant and machinery of Rs. 240 million.

16 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASES	**Note**	**2016**	2015
		Rupees	
Balance as at October 01		**115,864,379**	162,172,091
Assets acquired during the year		**124,902,500**	42,492,511
		240,766,879	204,664,602
Less: Installments paid during the year		**(68,706,577)**	(88,800,223)
		172,060,302	115,864,379
Less: Current maturity shown under current liabilities	21	**(50,645,690)**	(52,622,022)
Balance as at September 30		**121,414,612**	63,242,357

16.1 The future minimum lease payments to which the Company is committed are as follows:

	Not later than one year	**Later than one year but not later than five years**
At September 30, 2016	**Rupees**	
Principal	**50,645,690**	**121,414,612**
Finance charges allocated to future years	**11,923,963**	**16,522,914**
Total lease rentals	**62,569,653**	**137,937,526**
At September 30, 2015		
Principal	52,622,022	63,242,357
Finance charges allocated to future years	8,445,489	8,983,399
Total lease rentals	61,067,511	72,225,756

16.2 This represents lease arrangements for assets leased from Orix Leasing Pakistan Limited, NBP Leasing Limited, MCB Bank Limited, JS Bank Limited and Sindh Leasing Limited. The lease rentals are payable in equal monthly / quarterly installments. Cost of operating and maintaining the leased assets is borne by the Company. The payments of lease rentals are secured by way of demand promissory notes and personal guarantees of directors of the Company. These assets are under the restrictions of transfer, sublease and assignment of rights to third party.

17 DEFERRED LIABILITIES	**Note**	**2016**	2015
		Rupees	
Deferred taxation - net	17.1	**280,818,009**	335,328,343
Sales tax	17.2	**48,518,096**	48,518,096
Market committee fee	17.3	**23,868,214**	23,868,214
Accumulated leave absences		**2,863,338**	2,602,154
Deferred income		**-**	933,840
		356,067,657	411,250,647

17.1 Deferred taxation - net

	2016	2015
	Rupees	
Deferred tax liability arising in respect of:		
- Accelerated tax depreciation	**69,045,296**	62,690,545
- Surplus on revaluation of property, plant and equipment	**216,123,821**	235,082,051
- Assets acquired on finance lease	**14,122,542**	43,480,515
	299,291,659	341,253,111
Deferred tax asset arising in respect of:		
- Provision for deferred liabilities	**(859,001)**	(806,668)
- Provision for slow moving and obsolete items	**(4,953,000)**	(5,118,100)
- Unused tax losses	**(12,661,649)**	-
	(18,473,650)	(5,924,768)
	280,818,009	335,328,343

17.2 This represents the amount of liability against further tax chargeable u/s 3(1A) of the Sales Tax Act, 1990 relating to the period from December 2000 to June 2004. The matter is currently pending for adjudication in Honorable High Court of Sindh, Karachi against appeal filed by the tax authorities, against the order passed by the Appellate Tribunal in favor of the Company.

17.3 This represents a provision recognized by the Company on the basis of demand for fee raised by Market Committee, Hala (MC) by filing a suit for recovery with the Senior Civil Judge Hyderabad, Sindh in 2001. The MC could not justify its claim by providing any conclusive evidence as to how much sugar cane was brought and sold in the territory of the MC and was, thus, dismissed by the Senior Civil Judge Hyderabad, Sindh vide his judgment dated February 01, 2011. The MC then preferred an appeal against the said order with the Court of Learned District and Session Judge, Matiari which was also dismissed on December 19, 2012 since when MC has not preferred any appeal with the higher authorities. However, the Company has decided to retain the provision in anticipation of any further appeal that may be filed by MC in future.

18 TRADE AND OTHER PAYABLES

	Note	2016	2015
		Rupees	
Cane growers		**148,548,358**	145,616,570
Suppliers - Stores		**57,367,791**	17,363,601
Accrued liabilities		**7,780,234**	7,073,843
Workers' profit participation fund	18.1	**2,937,842**	11,337,451
Workers' welfare fund		**20,995,762**	19,879,362
Payable to Provident Fund		**-**	1,015,571
Advances from customers		**75,357,936**	87,185,531
Inland LC Bills Payable		**-**	50,065,273
Sales tax payable		**22,261,663**	-
Advances deducted from staff against vehicles		**1,394,049**	1,384,870
Income tax deducted at source		**13,435**	1,025,185
		336,657,070	341,947,257

18.1 Workers' profit participation fund

	Note	2016	2015
Opening balance		**11,337,451**	7,158,976
Amount allocated during the year	28	**2,937,842**	11,337,451
		14,275,293	18,496,427
Amount paid during the year		**(11,337,451)**	(7,158,976)
		2,937,842	11,337,451

19	ACCRUED MARK UP	Note	2016 Rupees	2015 Rupees
	Long term finances		**5,332,319**	272,465
	Short term borrowings		**13,671,147**	10,903,427
			19,003,466	11,175,892

20 SHORT TERM BORROWINGS - SECURED

	Note	2016	2015
MCB Bank Limited			
Agricultural finance	20.1	**55,000,000**	50,000,000
Running finance	20.2	**99,040,083**	76,886,306
Cash finance	20.3	**212,000,000**	-
		366,040,083	126,886,306
United Bank Limited			
Agricultural finance		**-**	14,157,892
		366,040,083	141,044,198

20.1 These borrowings carry markup at the rate of 12 months KIBOR plus 1.75% (2015: 1 year KIBOR plus 1.75%) having expiry date of 30 November 2016. The limit of this facility is Rs. 60 million (2015: Rs. 50 million).

20.2 These borrowings carry markup at the rate of 3 months KIBOR plus 1.75% (2015: 3 months KIBOR plus 1.75%) having expiry date of 30 November 2016. The limit of this facility is Rs. 100 million (2015: Rs. 100 million).

20.3 These borrowings carry markup at the rate of 3 months KIBOR plus 1.75% (2015: 3 months KIBOR plus 1.75%) having expiry date of 30 November 2016. The limit of this facility is Rs. 950 million (2015: Rs. 800 million).

20.4 The above facilities from MCB Bank are secured by way of pledge of white refined sugar packed in bags , first registered exclusive hypothecation charge of Rs. 900 million over all present and future current assets of the company, second ranking charge of Rs. 315 million over fixed assets i.e. plant and machinery installed at factory premises, personal guarantees of all sponsor directors and continuing guarantee of the Company along with charge over its current assets.

21	CURRENT PORTION OF LONG TERM LIABILITIES	Note	2016 Rupees	2015 Rupees
	Long term financing			
	Pair Investment Company Limited	15	**14,285,714**	15,000,000
	Lease			
	Liabilities against assets subject to finance leases	16	**50,645,690**	52,622,022
			64,931,404	67,622,022

22 CONTINGENCIES AND COMMITMENTS

22.1 Contingencies

During the year, the Deputy Commissioner Inland Revenue (Audit Unit-03, Zone-II), completed the assessment based on tax audit of the Company for the tax year 2013 and passed an order resulting in a tax demand of Rs. 246.297 million. The Company's appeal with Commissioner Appeals against the impugned order was upheld and the said order was annulled with direction to readjucate strictly in accordance with the law, besides deleting various add-backs made. The Company has filed appeal against the Commissioner Inland Revenue (Appeals) order challenging the direction issued by Commissioner Inland Revenue (Appeals). As the tax demand vacated and the matter is pending before the Income Tax Appellate Tribunal and the tax advisor of the Company is of the opinion that he expects a favorable outcome, no provision has been made in these financial statements.

22.2 Commitments

22.2.1 Corporate guarantees issued by the Company to MCB Bank Limited in favor of Matol (Private) Limited against Export Refinance Arrangement amount to Rs. 300 million (2015: Rs. 300 million).

22.2.2 Corporate guarantees issued by the Company to MCB Bank Limited in favor of Matiari Flour Mills (Private) Limited against Leasing facility amount to Rs. 222 million (2015: Rs. 222 million).

22.2.3 Corporate guarantees issued by the Company to Pair Investment Company Limited in favor of Matiari Flour Mills (Private) Limited against Term Finance Facility amount to Rs. 241 million (2015: Rs. 241 million).

22.2.4 Capital commitments related to various suppliers amount to Rs. 122,497,484 (2015: Nil).

		Note	2016	2015
			Rupees	
23	**SALES - NET**			
	Local sales		**2,947,009,870**	3,166,644,664
	Less: Sales tax and special excise duty		**(216,375,808)**	(251,328,184)
	Brokerage expense		**(525,075)**	(607,357)
			(216,900,883)	(251,935,541)
			2,730,108,987	2,914,709,123
24	**COST OF SALES**			
	Opening stock of finished goods		**1,022,896**	68,517,856
	Add: cost of goods manufactured	24.1	**2,624,656,406**	2,492,253,402
			2,625,679,302	2,560,771,258
	Less: closing stock of finished goods		**(46,474,853)**	(1,022,896)
			2,579,204,449	2,559,748,362
24.1	**Cost of goods manufactured**			
	Raw material consumed		**2,500,381,450**	2,402,215,602
	Chemicals and packing material consumed		**34,719,069**	39,593,061
	Fuel and power		**7,189,523**	7,505,040
	Salaries, wages and benefits	24.1.1	**168,129,731**	156,999,417
	Stores, spares and maintenance		**42,381,959**	64,155,244
	Vehicles maintenance		**4,941,868**	5,093,743
	Insurance		**4,383,641**	4,229,873
	Others		**4,703,237**	5,472,665
	Depreciation	4.3	**82,838,906**	89,111,969
			2,849,669,384	2,774,376,614
	Sale of by-products		**(224,954,975)**	(283,076,402)

	Note	2016	2015
		Rupees	
Opening work in process		**577,722**	1,530,912
Closing work in process		**(635,725)**	(577,722)
		(58,003)	953,190
		2,624,656,406	2,492,253,402

24.1.1 This includes Rs. 2,277,848 (2015: Rs.2,141,291/-) in respect of staff retirement benefits.

		Note	2016	2015
25	**ADMINISTRATIVE EXPENSES**		Rupees	
	Directors' remuneration	31	**14,608,000**	12,277,382
	Salaries, wages and benefits	25.1	**49,900,552**	42,472,425
	Rent, rates and taxes		**165,101**	165,101
	Insurance		**2,019,833**	1,917,579
	Water, gas and electricity		**3,265,640**	2,532,334
	Printing and stationery		**1,712,772**	1,356,128
	Postage and telephone		**1,618,282**	1,172,958
	Vehicles maintenance		**1,974,414**	2,258,569
	Repairs and maintenance		**5,144,058**	4,482,334
	Travelling and conveyance		**1,638,608**	915,329
	Subscription, books and periodicals		**617,538**	591,574
	Legal and professional charges		**2,342,263**	6,081,882
	Entertainment		**1,596,850**	1,493,788
	Auditors' remuneration	25.2	**590,000**	590,000
	Cost auditors' remuneration		**70,000**	70,000
	Donation	25.3	**-**	535,000
	Miscellaneous expenses		**211,875**	62,029
	Depreciation	4.3	**4,369,533**	5,610,489
			91,845,319	84,584,901

25.1 This includes Rs. 1,402,963 (2015: Rs.1,237,739/-) in respect of staff retirement benefits.

		2016	2015
25.2	**Auditors' remuneration**	Rupees	
	Audit fee	**570,000**	570,000
	Audit of funds and other services	**20,000**	20,000
		590,000	590,000

25.3 None of the directors and their spouses had any interest in the donee institutions.

		2016	2015
26	**DISTRIBUTION COST**		
	Loading and unloading charges	**714,945**	787,192
	Other expenses	**2,957,192**	1,944,135
		3,672,137	2,731,327
27	**OTHER OPERATING CHARGES**		
	Workers' profit participation fund	**2,937,842**	11,337,451
	Workers' welfare fund	**1,116,380**	4,308,232
		4,054,222	15,645,683

28 OTHER INCOME

Income from financial assets:		
Profit on short term investment	**1,790,248**	2,350,979
Interest income on loans to growers	**2,349,224**	4,095,105
Dividend income	**36,182,900**	-
Income from other than financial assets:		
Deferred income - amortisation	**933,840**	933,840
Change in fair value less costs to sell of biological assets	**20,697,734**	19,276,726
Gain on sale of property, plant and equipment	**2,576,741**	3,246,705
Miscellaneous	**100,000**	-
	64,630,687	29,903,355

29 FINANCE COST

	Note	2016	2015
		Rupees	
Mark up on long term finances		**1,201,389**	1,944,829
Mark up on short term borrowings		**49,091,866**	45,142,330
Financial charges on leased assets		**9,575,394**	22,948,364
Bank charges		**1,392,288**	763,337
		61,260,937	70,798,860

30 TAXATION

	Note	2016	(Restated) 2015
		Rupees	
Current		**34,191,796**	51,519,834
Prior		**9,434,498**	10,931,944
Deferred	30.1	**(46,927,042)**	6,608,218
		(3,300,748)	69,059,996

30.1 This includes deferred tax income of Rs. 3,233,751 (2015: 2,746,244) pertaining to change in tax rate.

30.2 Relationship between tax (income) / expense and accounting profit

	2016	(Restated) 2015
	Rupees	
Profit before taxation	**54,702,610**	211,103,345
Tax at the applicable tax rate of 31% (2015: 32%)	**16,957,809**	67,553,070
Tax effect of exempt income	**-**	(6,168,552)
Tax effect/adjustment of change in tax rate	**(3,233,751)**	(2,746,244)
Prior year effect	**9,434,498**	10,931,944
Tax effect due to minimum turnover tax	**(26,459,304)**	-
Others	-	(510,222)
	(3,300,748)	69,059,996

30.3 Income tax assessments of the Company are deemed to be finalized as per tax returns file up to tax year 2016 (except for the tax year 2013 in respect of which an appeal is yet to be heard by the Income Tax Appellate Tribunal as discussed in detail in note 22 to the financial statements). Tax returns are subject to further assessment under provisions of the Income Tax Ordinance, 2001 ("the Ordinance") unless selected for an audit by the taxation authorities. The Commissioner of Income Tax may, at any time during a period of five years from date of filing of return, select a deemed assessment order for audit.

31 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Particulars	2016				2015			
	Chief Executive	Directors	Executives	Total	Chief Executive	Directors	Executives	Total
	(Rupees)							
Meeting fees	-	20,000	-	20,000	-	75,000	-	75,000
Managerial remuneration	14,588,000	-	33,751,674	48,339,674	12,202,382	-	32,783,950	44,986,332
Other benefits	-	-	525,059	525,059	-	-	1,261,510	1,261,510
Retirement benefits	-	-	974,323	974,323	-	-	950,161	950,161
Total	14,588,000	20,000	35,251,056	49,859,056	12,202,382	75,000	34,995,621	47,273,003
No. of Persons	1	9	19	29	1	9	18	28

31.1 The Chief Executive is also provided with the Company's maintained car.

32 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties include subsidiary companies, the companies where directors also hold directorship, directors and key management personnel of the Company and their close family members and staff retirement funds. There are no transactions with the key management personnel other than under their terms of employment / entitlement. Contributions to the employees retirement benefits are made in accordance with terms of employees retirement benefits schemes.

Transactions with related parties other than those disclosed elsewhere in these financial statements, are as follows:

Transactions during the year:		**2016**	2015
		Rupees	
Nature of transaction	**Nature of relationship**		
Security services hired	Common directorship	**24,042,743**	17,475,864
Advance given for expenses	Subsidiary	**-**	7,671,296
Amount repaid given for expenses	Common directorship	**-**	15,342,592
Advance against purchase of shares	Common directorship	**2,529,594**	-
Dividend received	Subsidiary	**36,182,900**	-
Sale of molasses	Subsidiary	**197,974,515**	223,388,003
Provident fund contribution	Employee benefit plan	**3,680,811**	3,379,030

Transactions with key management personnel are disclosed in note 31 to the financial statements.

Outstanding balances as at September 30:

Advance for purchase of shares	Subsidiary	**147,000,000**	147,000,000
Advance for purchase of shares	Common directorship	**2,529,594**	-
Receivable from / (payable to)			
Employee's Provident Fund	Employee benefit plan	**248,510**	(1,015,571)

33 NUMBER OF EMPLOYEES

	2016	2015
	Number	
Total employees at year end	**478**	361
Average number of employees during the year	**420**	371

	June 2016	June 2015
	Rupees	
	Un-audited	Audited
34 DISCLOSURES RELATING TO PROVIDENT FUND		
(i) Size of the fund	**74,329,187**	68,161,168
(ii) Cost of investment made	**33,250,000**	33,250,000
(iii) Percentage of investments made	**44.73%**	48.78%
(iv) Fair value of investments	**73,927,906**	66,913,139

	June 2016	June 2015
	Rupees	
	Un-audited	Audited
Breakup of cost of investment:		
- Defence Saving Certificates	**21,590,000**	21,590,000
- Orix Leasing Pakistan Limited	**11,660,000**	11,660,000
	33,250,000	33,250,000
Breakup of investment - Percentage:		
- Defence Saving Certificates	**29.05%**	31.67%
- Orix Leasing Pakistan Limited	**15.69%**	17.11%
	44.73%	**48.78%**

34.1 Investments are made out of the fund are in accordance with section 227 of the Companies Ordinance, 1984 and the rules made there under.

	2016	2015
	Rupees	
35 CASH GENERATED FROM OPERATIONS		
Profit before taxation	**54,702,610**	211,103,345
Adjustments for:		
Depreciation	**87,208,439**	94,722,458
Finance cost	**61,260,937**	70,798,860
Amortization of deferred income	**(933,840)**	(933,840)
Gain on sale of property, plant and equipment	**(2,576,741)**	(3,246,705)
Change in fair value less costs to sell of biological assets	**(20,697,734)**	(19,276,726)
Dividend income	**(36,182,900)**	-
Profit on short term investment	**(1,790,248)**	(2,350,979)
Interest on loan to growers	**(2,349,224)**	(4,095,105)
Provision for accumulated leave absence	**261,183**	948,698
Provision for workers' profit participation fund	**2,937,842**	11,337,451
Provision for workers welfare fund	**1,116,380**	4,308,232
Working capital changes	**(302,126,013)**	320,574,132
	(213,871,919)	472,786,476
	(159,169,309)	683,889,821

35.1 Working capital changes

(Increase) / decrease in current assets		
Stores, spares and loose tools	**(69,879,628)**	(2,314,195)
Stock in trade	**(45,509,960)**	68,448,150
Trade debts	**1,733,042**	9,849,805
Loans, advances, prepayments and other receivables	**(179,125,058)**	130,311,740
	(292,781,604)	206,295,500
Increase in current liabilities		
Trade and other payables	**(9,344,409)**	114,278,632
	(302,126,013)	320,574,132

36 PRODUCTION CAPACITY

	2016	2015
No. of days mill operated	**148**	159
Crushing capacity per day (M.tons)	**4,200**	4,200
Total crushing capacity based on operational days (M.tons)	**621,600**	667,800
Actual crushing (M.tons)	**522,582**	559,264
Sugar production (M.tons)	**53,428**	58,848

The sugar production is based upon plant's crushing capacity and certain factors which include sucrose recovery percentage.

37 EARNINGS PER SHARE - BASIC AND DILUTED

	2016	(Restated) 2015
	Rupees	
Profit after taxation	**58,003,358**	142,043,349
	(Number)	
Weighted average number of ordinary shares outstanding	**22,580,415**	22,580,415
	Rupees	
Earnings per share - basic and diluted	**2.57**	6.29

38 FINANCIAL RISK MANAGEMENT

38.1 Fair value measurement

Financial and non-financial assets and liabilities measured at fair value in the balance sheet are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the management recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

Following is the hierarchy of the assets measured based on fair value as at the reporting date:

	2016	2015
	Rupees	
Level 1:	-	-
Level 2:		
- Property, plant and equipment	**1,996,629,542**	1,915,777,489
- Biological assets	**21,241,471**	16,060,348
- Investment in subsidiaries	**403,312,740**	414,099,792
	2,421,183,753	2,345,937,629
Level 3:	-	-

38.2 Financial instruments by categories

	2016	2015
Financial assets - loans and receivables		
Long term deposits	**24,934,090**	16,802,440
Trade debts - unsecured, considered good	**73,750**	1,806,792
Loans and other receivables	**39,854,608**	93,964,546
Cash and bank balances	**21,471,911**	11,695,790
	86,334,359	124,269,568
Financial assets - held to maturity		
Short term investment	**-**	19,706,300
Financial assets - available for sale		
Investment in subsidiaries	**403,312,740**	414,099,792
Financial liabilities - at amortized cost:		
Long term finances - secured	**326,255,863**	15,000,000
Liabilities against assets subject to finance leases	**172,060,302**	115,864,379
Deferred liabilities	**2,863,338**	2,602,156
Trade and other payables	**215,090,432**	221,504,157
Accrued markup	**19,003,466**	11,175,892
Short term borrowings - secured	**366,040,083**	141,044,198
	1,101,313,484	507,190,782

38.3 Financial risk management objectives and policies

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

- Credit risk
- Liquidity risk
- Market risk

The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Overall, risks arising from the Company's financial assets and liabilities are limited. The Company consistently manages its exposure to financial risk without any material change from previous period in the manner described in notes below.

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. All treasury related transactions are carried out within the parameters of these policies.

38.3.1 Credit risk

Credit risk is the risk which arises with a possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same party, or when counter parties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by change in economics, political or other conditions. Concentration of credit risk indicates that relative sensitivity of the Company's performance to development affecting a particular industry.

Credit risk principally arises from long term deposits, trade debts, loans, other receivables and cash and bank balances. The Company attempts to control credit risk by monitoring credit exposures and continually assessing the creditworthiness of counterparties. The Company receives advances from customers against sales of goods and, therefore, its exposure to credit risk is limited. The Company monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings.

The carrying amount of financial assets represents the maximum credit exposure. To manage exposure to credit risk, the Company applies credit limits to their customers. Cash is held only with banks with high quality credit worthiness.

The Company's gross maximum exposure to credit risk at the balance sheet date is as follows:

	2016	2015
	Rupees	
Long term deposits	**24,934,090**	16,802,440
Trade debts	**73,750**	1,806,792
Loans and other receivables	**39,854,608**	93,964,546
Bank balances	**21,339,622**	11,559,660
	86,202,070	124,133,438

Impairment losses

The aging of trade debts at the balance sheet date was:

	2016		2015	
	Gross	Impairment	Gross	Impairment
	-------- Rupees --------		-------- Rupees --------	
Not past due	73,750	-	1,806,792	-
Past due 1 to 180 days	-	-	-	-
More than 180 days	-	-	6,518,233	-
	73,750	-	8,325,025	-

Based on historic information about customer default rates, management considers the credit quality of trade receivables that are neither past due nor impaired to be good.

The credit quality of company's liquid funds can be assessed with reference to external credit ratings as follows:

Banks	Rating Agency	Rating Short term	Rating Long term
National Bank of Pakistan	PACRA	A1+	AAA
Habib Bank Limited	JCR-VIS	A1+	AAA
JS Bank Limited	PACRA	A1+	AA-
MCB Bank Limited	PACRA	A1+	AAA
United Bank Limited	JCR-VIS	A1+	AAA
Soneri Bank Limited	PACRA	A1+	AA-
Allied Bank Limited	PACRA	A1+	AA+

38.3.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the contractual maturities of financial liabilities (including interest payments):

	2016			
	Carrying amount	Contractual cash flows	Twelve months or less	One to five years
	(Rupees)			
Non-derivative financial liabilities				
Long term finances - secured	**326,255,863**	**381,010,226**	**34,172,171**	**346,838,055**
Liabilities against assets subject to finance leases	**172,060,302**	**200,507,179**	**62,569,653**	**137,937,526**
Deferred liabilities	**2,863,338**	**2,863,338**	**-**	**2,863,338**
Trade and other payables	**215,090,432**	**215,090,432**	**215,090,432**	**-**
Short term borrowings - secured	**366,040,083**	**366,040,083**	**366,040,083**	**-**
	1,082,310,018	**1,165,511,258**	**677,872,339**	**487,638,919**

	2015			
	Carrying amount	Contractual cash flows	Twelve months or less	One to five years
	(Rupees)			
Non-derivative financial liabilities				
Long term finances - secured	15,000,000	16,260,000	16,260,000	-
Liabilities against assets subject to finance leases	115,864,379	133,293,267	61,067,511	72,225,756
Deferred liabilities	2,602,156	2,602,156	-	2,602,156
Trade and other payables	221,504,157	221,504,157	221,504,157	
Short term borrowings - secured	141,044,198	141,044,198	141,044,198	-
	496,014,890	514,703,778	439,875,866	74,827,912

38.3.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market.

Currency risk

Foreign currency risk is the risk that the value of financial asset or a liability will fluctuate due to a change in foreign exchange rates. As the Company does not enter into foreign currency denominated transactions, as of the reporting date, it is not exposed to any foreign currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from long term finances, liabilities against assets subject to finance leases and short term borrowings . At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was as follows:

Variable rate instruments	**2016**	2015
	Rupees	
Long term finances - secured	**326,255,863**	15,000,000
Liabilities against assets subject to finance leases	**172,060,302**	115,864,379
Short term borrowings - secured	**366,040,083**	141,044,198
	864,356,248	271,908,577

Cash flow sensitivity analysis for variable rate instruments

As of the reporting date, if average KIBOR interest rate on borrowings had been 100 basis points higher / lower with all other variables held constant, pre tax profit for the year would have been lower / higher by Rs. 8.643 million (2015: Rs. 2.719 million) respectively, mainly as a result of higher / lower interest exposure on floating rate borrowing.

The sensitivity analysis prepared is not necessarily indicative of the effect on profit for the year on comparative year and liabilities of the Company.

Fair value sensitivity analysis for fixed rate instruments

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

Price risk

Price risk represents the risk that fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. Since, at the reporting date, the Company has no investments in quoted equity instruments, the Company is not exposed to any equity price risk.

38.4 Fair value of financial assets and liabilities

The carrying value of all financial assets and liabilities approximate their fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

39 CAPITAL RISK MANAGEMENT

The Company's objectives, while managing capital, are to safeguard the ability to continue as a going concern in order to provide benefits to the share and stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages capital structure and makes adjustments to it, in the light of changes in the economic conditions. To maintain or change the capital structure, the Company may declare higher dividends or issue new shares. The management seeks to maintain a balance between higher returns and possible levels to manage borrowings.

40 NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in their board meeting held on November 23, 2016 has declared interim cash dividend of Rs. 5/- per share (2015: Rs. 6/- per share).

Further, the Board of Directors in their Board Meeting held on January 10, 2017 has proposed to offer a final 10% bonus shares issue for approval of the members at the Annual General Meeting to be held on January 31, 2017.

The financial statements for the year ended 30 September 2016 do not include the effect of this dividend which will be accounted for in the financial statements for the year ending September 30, 2017.

41 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and better presentation as follows:

Reclassification from component	Reclassification to component	Rupees
Cash and bank balances	**Cash and bank balances**	
Current accounts	Savings accounts	948,284
Loans, advances, prepayments and other receivables	**Biological assets**	
Loans to Growers - Secured, Considered Good	Biological assets	5,071,173
Loans, advances, prepayments and other receivables	**Loans, advances, prepayments and other receivables**	
Other receivables	Advance against equity	119,000,000
Trade and other payables	**Loans, advances, prepayments and other receivables**	
Advance from customers	Advance against equity	28,000,000
Other income	**Other income**	
Agriculture income - net	Change in fair value less costs sell of biological assets	19,276,726

42 DATE OF AUTHORISATION FOR ISSUE

Theses financial statements were authorised for issue on 10.Jan.2017 by the Board of Directors of the Company.

43 GENERAL

Figures have been rounded off to the nearest rupee.

Chief Executive **Director**

PATTERN OF SHARE HOLDING

NO. OF SHARE HOLDERS	SHAREHOLDING RANGE				TOTAL SHARE HELD
4	From	1	to	2,000 Shares	2,076
2	From	2,001	to	10,000 Shares	6,922
4	From	10,001	to	20,000 Shares	69,212
44	From	20,001	and	above	22,502,205
54					**22,580,415**

CATEGORIES OF SHARE HOLDERS	NUMBER	SHARE HELD	PERCENTAGE
Individual (Pakistan)	52	21,680,299	96.01
Individual (Foreign)	-	-	-
Investement Companies	-	-	-
Join Stock Companies	1	865,510	3.83
Financial Institutions	-	-	-
Private Companies and Institutions	1	34,606	0.15
	54	**22,580,415**	**100**