



Report on Corporate Social Responsibility

Being the Country's responsible corporate citizen, Sanghar Sugar Mills Limited gives back to society to help build a sustainable tomorrow. The Company is playing an active role in supporting sustainable community and social development of Pakistan and its people. The Company believes in the creation of shared economic and social value across the country. This following Report updates the stakeholders about the steps taken by the Company to ensure compliance:

Education

To alleviate illiteracy in the rural areas of the Country, the Company has launched education program through Al-Qalam Welfare Trust School established in 2008 and is providing education facilities at the premises adjacent to the Mills' Employees' Colony by the qualified staff on concessional basis to the children of the factory employees and persons living nearby in rural areas. The Education started from a single class room of Kindergarten with admission of 10 students. Now, in a days, grows upto class 8th having total strength of 230 students with beautiful infrastructure, neat and clean environment with availability of all basic facilities within covered premises viz large size ventilated class rooms, computer lab, laboratory, playground, tuck shop and uninterrupted power supply. Teacher's strength of school is one head mistress, fourteenth lady teachers & one Arabic teacher (Aa'lma). Main emphasis to run the school is to help poor people of the area, to encourage girl's education, to inspire students to internalize Islamic education in their social growth, attaining self-actualization. Education in remote areas is a big challenges specially those who are not able to afford the expenses of such a qualitative, modern education nearer to their door step. In addition to above, various events are being organized like Annual Sports Day, Parent's Day etc.

Medical & Health Care

The Company is responsive to make efforts to minimize the accidental risks, have necessary medical facilities and continuously shine to improve greenery and maintain clean and safe environment around the Mills, better housekeeping, safeguarding the health of employees and application of the principles of safety in its operations, the consumers and public at large by following the rules and regulations in this regard. The Company is running dispensary through a qualified and experienced doctors for its employees and for persons living in adjoining areas.

During the year, two days Free Eye Camp has been organized on the premises of the Company on February 01, 2018 & February 02, 2018. In this free camp, checkup of total 900+ Outpatients was conducted and operations of 390 patients were done satisfactorily. Before the launch of camp, an advertisement campaign was made through radio, cable, social media & pamphlets for the information of needy persons. Free pick and drop arrangement was made for the patients and caring persons from the areas of Sanghar & Perumal. Free arrangements of accommodation and food were made for patients, care takers, doctors and their staff. Free medicines, medical checkup, Operations were conducted. The whole Eye Camp was partially financed by our Executives and remaining by the Company.

In order to improve and extend Health Facilities for its employees, the Company has deliberated Ministry of Overseas Pakistanis & Human Resources Development, Workers Welfare Fund, Government of Pakistan, Islamabad, which has expressed its willingness to construct Fifty Beds Hospital by Workers Welfare Fund on the premises of the Company in Sanghar, if the Company is ready to donate (free of cost and any charge or mortgage) Five Acres Land and transfer its Title to Workers Welfare Fund, Ministry of Overseas Pakistanis & Human Resource Development, Government of Pakistan.

On November 23, 2016, the shareholders of the Company approved the Board of Directors proposal in the Extra Ordinary General Meeting that the donation (free of cost and any charge or mortgage) and Transfer 05 Acres Land, out of 320 Acres Land of the Company in Sanghar.



In order to implement the Agreements with the Ministry of Overseas Pakistanis & Human Resource Development, Workers Welfare Fund, Government of Pakistan, Islamabad, for the purpose of construction of Fifty Beds Hospital on the above said Land in the vicinity of the Company located in Sanghar, the formalities of transfer of Land and other documentation is in process till date.

Community & Social Development

The Company's efforts have primarily on improving the social conditions of the Communities and employees related to the Company by establishing fair working conditions, ensuring occupational safety, setting social standard, establishing minimum wages, zero tolerance on child labour and forced labour etc.

To support the sugarcane growers of the area and provide better quality seeds and fertilizers to achieve improvement in quality of sugarcane and enhance its quantity and productivity in order to have regular, constant and better supply in future the major basic raw material for sugar mills.

The Company continuously is striving to improve greenery, maintaining clean environment around the mills and better house-keeping. The Company installed and maintained water filtration plant and tanks to purify the water used for drinking purpose.

Human Resource Management:

There are policies and procedures which demonstrate the Human Resource department, a philosophy of fair and transparent appointments on the basis of merit and give objective of performance evaluation, which ultimately results in the increments, promotions, bonuses and cash awards. Being social responsible, the Company gives importance on providing an opportunity with dignity to people with special needs who are trained to serve the Company as a valuable human capital. We have appointed some special persons as part of human resource. The Company treats all employees fairly and compensates them according to the industry practice. The Company provides the benefits such as perquisites, annual leaves, pick and drop, facility of mess, safe and healthy working conditions etc along-with group insurance, making payments to Employees Old Age Benefits Institution, Worker's Welfare Fund, Worker's Profit Participation Funds. The Company is committed to maintaining the principles of integrity and trust with respect to privacy of the employees of the Company.

To encourage employment of workforce living in the rural areas in order to yield significant gain and uplift their living standard.

Contribution towards Economy & Government:

The Company is contributing to the National growth by sharing its revenue with the nation in the form of taxes, rates, duties and other levies.

Pakistan is facing severe energy crises and efforts to increase power generation. This is resulting in load-shedding and power shutdowns in all sectors, whether industrial or residential. Considering the importance of energy, the Company has been heavily investing in power generation, which includes installation of equipment & machinery, with our manufacturing area for our in-house consumption and surplus energy are sold to Hyderabad Electric Supply Corporation, to overcome the crises of power generation to some extent.

Expenditure Incurred:

The expenditures incurred on Corporate Social Responsibility Activities are disclosed in notes to the financial statements under the heading of "Other Operating Cost" amounted to Rs. 3,026 thousand (2017: 1,147 thousand).

CSR Plans:

The Company intends to install RO plant to provide clean and clear drinking water to general public.