

**YD**

A YOUSUF DEWAN COMPANY

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## COMPANY INFORMATION

### CHAIRMAN BOARD OF DIRECTORS

Dewan Muhammad Yousuf Farooqui

### EXECUTIVE DIRECTORS

Ghazanfar Baber Siddiqui  
Dewan Abdul Rehman Farooqui

### NON-EXECUTIVE DIRECTORS

Dewan Muhammad Yousuf Farooqui  
Dewan Abdul Baqi Farooqui  
Haroon Iqbal  
Syed Muhammad Anwar

### INDEPENDENT DIRECTOR

Aziz-ul-Haque

### COMPANY SECRETARY

Muhammad Hanif German

### CHIEF FINANCIAL OFFICER

Muhammad Ilyas Abdul Sattar

### AUDITORS

Feroze Sharif Tariq & Co. - Chartered Accountants

### COST AUDITORS

Junaidy Shoaib Asad  
Chartered Accountants

### TAX ADVISOR

Sharif & Company - Advocates

### LEGAL ADVISOR

A.K. Brohi & Company Advocates

### AUDIT COMMITTEE

Aziz-ul-Haque  
Haroon Iqbal  
Syed Muhammad Anwar

Chairman  
Member  
Member

### HUMAN RESOURCE & REMUNERATION COMMITTEE MEMBERS

Dewan Muhammad Yousuf Farooqui  
Ghazanfar Baber Siddiqui  
Haroon Iqbal

Chairman  
Member  
Member

### BANKERS

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

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

### REGISTERED OFFICER:

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

### CORPORATE OFFICE

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

### SHARE REGISTRAR / TRANSFER AGENT

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

### FACTORY

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

### WEBSITE

[www.yousufdewan.com](http://www.yousufdewan.com)

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A YOUSUF DEWAN COMPANY

## DIRECTORS' REPORT

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

Dear Shareholder(s),

Assalam-o-Alaikum

Your Directors take pleasure in presenting you the unaudited condensed interim financial statements of the Company for the period ended June 30, 2015.

### Financial Results

During the period under consideration, your Company has suffered after tax loss of Rs. 416.01 million, as compared to loss of Rs. 225.473 million in the corresponding period.

### Performance Review

#### Sugar Segment

The Sugar Plant started its crushing on 19<sup>th</sup> December 2014 and operated for (89 days) till 17<sup>th</sup> March 2015 as compared to last year plant operated for 92 days. During this period your Company was able to crush only 526,425 tons of sugar cane with average sucrose recovery of 9.954% and refined sugar production of 52,405 tons as compared with crushing of 634,634 tons of sugar cane with average sucrose recovery of 10.18% and refined sugar production of 64,600 M. Tons last season, showing 17 % and 19% decline in crushing and production over the last season. Sindh Govt. initially fixed the minimum support price of Rs. 182/- per 40kg as against Rs. 172/- last season, which was higher by 5.50%. However the Sindh High Court in its decision fixed the raw material price at Rs.172/- per 40 kg. as an interim arrangement , following the provincial Government's decision to pay Rs.12/- as subsidy to the growers.

During the period sugar segment suffered 109.13 million loss as compared to loss of 147.347 million in the last period. The main reason for this heavy losses was due to limited working capital and unavailability of pledge facilities by financial institutions and we had no other option except to off load our entire stock with losses in crushing season, when the prices of sugar are the lowest in order to maintain smooth crushing and keep per ton cost down to curtail further losses. Currently prices of white sugar is Rs.10/- to 12/- per Kg. higher than peak crushing season and we could not get benefit from current higher prices.

#### Distillery Segment

Distillery unit produced 18,710 tons of Alcohol during the period under review as compared to 21,834 tons of Alcohol produced during preceding period. During the period the plant ceased to operate from November 1, to January 8 2015, due to non availability of raw material and yearly plant repair & maintenance.

Keeping in view low ethanol prices globally because of fall in petroleum prices and limited short period of operation the profitability of this unit is not the same as previous. However we are trying our best to bring back its profitability by operating it efficiently.

**Chip Board Segment**

Chip Board plant has produced 164,570 sheets during the period under review as against last period 131,440 sheets. Management is focused on producing value added products which are well accepted in market and enhanced its production which was possible by recently new power supply from our distillery unit, which was earlier dependent on poor supply of electricity from WAPDA. This will help board unit to improve its profitability.

**Polypropylene Segment**

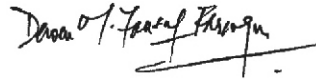
With the grace of Almighty Allah Polypropylene segment has resumed its operation in the month of June 2015 and will be run in its full pace with in a couple of months.

Company whilst aggressively improving the contribution to the government exchequer, is also positively contributing towards economic development of the country.

In conclusion, we bow, beg and pray to **Almighty Allah**, Rahman-o-Ar-Rahim, in the name of our beloved Prophet Muhammad (peace be upon him) for the continued showering of his blessings, guidance, strength, health, and prosperity to us, our company, country and nation; and also pray to **Almighty Allah** to bestow peace, harmony, brotherhood, and unity in true Islamic spirit to whole of the Muslim Ummah; Ameen; Summa Ameen.

MY LORD IS INDEED HEARER OF PRAYER (HOLY QURAN)

Under Authority of the Board of Directors



**Dewan Mohammad Yousuf Farooqui**  
Chairman.

Karachi, July 27, 2015.

**YD**

A YOUSUF DEWAN COMPANY

**CONDENSED INTERIM BALANCE SHEET  
FOR THE NINE MONTHS ENDED JUNE 30, 2015**

<b>ASSETS</b>		<b>(Un-Audited) Jun-15</b>	<b>(Audited) Sep-14</b>
	<b>Notes</b>	<b>(Rupees in '000')</b>	
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	4	3,199,955	3,323,748
<b>CURRENT ASSETS</b>			
Stores, Spares and Loose Tools		407,412	415,572
Stock-in-Trade		477,413	541,098
Trade Debts - Unsecured, Considered Good		125,299	325,754
Loans and Advances - Unsecured, Considered Good		1,196,428	975,309
Trade Deposits, Short-Term Prepayments and Current Balances with Statutory Authorities		20,945	14,351
Income Tax Refunds and Advances		138,658	102,804
Short Term Investment - Related Party	5	135,272	90,909
Cash and Bank Balances		52,777	88,850
		<b>2,554,204</b>	<b>2,554,647</b>
		<b>5,754,159</b>	<b>5,878,395</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized Capital</b>			
70,000,000 (Sept 2014: 50,000,000) Ordinary Shares of Rs. 10/- each	6	700,000	500,000
Issued, Subscribed and Paid-up Capital		665,120	365,120
Reserves and Surplus		(570,420)	(261,489)
		94,700	103,631
<b>SURPLUS ON REVALUATION OF PROPERTY, PLANT &amp; EQUIPEMNT (Net)</b>		838,657	901,375
<b>NON-CURRENT LIABILITIES</b>			
Sponsors Loan - Unsecured	7	146,713	196,726
Re-schedule Term Finance	8	1,930,925	2,273,724
Liabilities Against Assets Subject to Finance Lease -Secured	9	17,527	20,350
Deferred Liabilities	10	37,002	72,084
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables - Unsecured		1,276,026	1,095,419
Interest, Profit, Mark-up Accrued on Loans and Other Payables		4,183	9,003
Short Term Finances - Secured	11	358,439	423,683
Current Portion of Non-Current Liabilities	8 & 9	857,988	630,401
Provision for Taxation		191,999	151,999
		<b>2,688,635</b>	<b>2,310,505</b>
<b>CONTINGENCIES &amp; COMMITMENTS</b>	12	-	-
		<b>5,754,159</b>	<b>5,878,395</b>

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

**Ghaznanfer Baber Siddiqi**  
Chief Executive Officer

**Dewan Abdul Rehman Farooqui**  
Director

**DEWAN SUGAR MILLS LIMITED**

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE NINE MONTHS ENDED JUNE 30, 2015**

	Nine Months Ended		Quarter Ended	
	Jun-15	Jun-14	Jun-15	Jun-14
	(Rupees in '000')			
<b>Sales</b>	<b>3,970,233</b>	4,658,808	<b>1,677,878</b>	1,177,225
<b>Cost of Sales</b>	<b>(3,945,954)</b>	(4,626,637)	<b>(1,511,267)</b>	(1,256,024)
<b>Gross Profit/(Loss)</b>	<b>24,279</b>	32,171	<b>166,611</b>	(78,799)
Administrative and General Expenses	(75,114)	(62,746)	(25,124)	(20,767)
Distribution and Selling Costs	(88,795)	(105,813)	(36,541)	(33,431)
Other Operating Income	4,176	4,174	998	1,334
Other Charges	(184,853)	-	-	-
<b>(Loss)/Profit from Operations</b>	<b>(320,307)</b>	(132,214)	<b>105,945</b>	(131,663)
Finance Cost	(86,595)	(83,429)	(24,437)	(30,719)
<b>(Loss)/Profit before Income Tax</b>	<b>(406,902)</b>	(215,643)	<b>81,508</b>	(162,382)
Taxation	(9,109)	(9,830)	(6,914)	417
<b>(Loss)/Profit for the period (after Income Tax)</b>	<b>(416,011)</b>	(225,473)	<b>74,593</b>	(161,965)
<b>(Loss)/Profit per Share - Basic</b>	<b>(8.39)</b>	(6.18)	<b>1.50</b>	(4.44)

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



**Ghazanfer Baber Siddiqi**  
Chief Executive Officer



**Dewan Abdul Rehman Farooqui**  
Director



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE NINE MONTHS ENDED JUNE 30, 2015**

	Nine Months Ended		Quarter Ended	
	Jun-15	Jun-14	Jun-15	Jun-14
	(Rs.in'000')			
(Loss)/Profit for the Period	(416,011)	(225,473)	74,593	(161,965)
Available for Sale Financial Assets:				
Changes in Fair Value	44,362	35,080	63,336	10,646
Total Comprehensive (Loss)/Income for The Period	<u>(371,649)</u>	<u>(190,393)</u>	<u>137,929</u>	<u>(151,319)</u>

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

**Ghazanfar Baber Siddiqi**  
Chief Executive Officer

**Dewan Abdul Rehman Farooqui**  
Director



**DEWAN SUGAR MILLS LIMITED**

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE NINE MONTHS ENDED JUNE 30, 2015**

	<b>Jun-15</b>	<b>Jun-14</b>
	<b>(Rupees in '000')</b>	
<b>Cash Flow from Operating Activities</b>		
(Loss) Before Taxation	<b>(406,902)</b>	(215,643)
Adjustment for Non-Cash and Other Items:		
Depreciation	<b>193,084</b>	208,871
Financial Charges	<b>86,595</b>	83,429
Amortization of Loan	<b>184,853</b>	--
	<b>464,532</b>	292,300
	<b>57,630</b>	76,657
<b>Changes in Operating Assets and Liabilities</b>		
<b>(Increase) / Decrease in Current Assets</b>		
Stores and Spares	<b>8,160</b>	(6,603)
Stock in Trade	<b>63,685</b>	(512,153)
Trade Debts	<b>200,456</b>	(194,948)
Loans and Advances	<b>(221,120)</b>	82,786
Trade Deposits, Prepayments & Other Balances	<b>(6,594)</b>	(10,073)
<b>Increase / (Decrease) in Current Liabilities</b>		
Trade and Other Payables	<b>180,607</b>	615,339
Short Term Finances	<b>(65,244)</b>	172,194
	<b>159,950</b>	146,542
Taxes Paid	<b>(35,854)</b>	(30,857)
Financial Charges Paid	<b>(35,477)</b>	(32,702)
Gratuity Paid	<b>(4,191)</b>	(4,002)
	<b>(75,522)</b>	(67,561)
<b>Net Cash Flows from Operating Activities</b>	<b>142,058</b>	155,638
<b>Cash Flow from Investing Activities</b>		
Fixed Capital Expenditure	<b>(69,291)</b>	(30,269)
<b>Net Cash Out Flows from Investing Activities</b>	<b>(69,291)</b>	(30,269)
<b>Cash Flow from Financing Activities</b>		
Sponsors Loan	<b>(256,860)</b>	216,860
Right issue of Paid-up Capital	<b>300,000</b>	--
Syndicated Term Finance Secured	<b>(145,348)</b>	(315,325)
Morabaha Payment	<b>(3,808)</b>	(2,589)
Lease Finance	<b>(2,824)</b>	(1,468)
<b>Net Cash Out Flows from Financing Activities</b>	<b>(108,840)</b>	(102,522)
Net (Decrease)/ Increase in Cash and Bank Balances	<b>(36,073)</b>	22,847
Cash and Bank Balances at Beginning of the Period	<b>88,850</b>	45,532
Cash and Bank Balances at the End of the Period	<b>52,777</b>	68,379

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



**Ghaznanfer Baber Siddiqi**  
Chief Executive Officer



**Dewan Abdul Rehman Farooqui**  
Director

**YD**

A YOUSUF DEWAN COMPANY

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE NINE MONTHS ENDED JUNE 30, 2015**

	Issued, Subscribed & Paid-up Capital	General Reserve	Accumulated Profit/( Loss)	Total
(Rupees in '000')				
Balance as on October 01, 2013 (Restated)	365,120	190,000	(458,627)	96,493
Total comprehensive Loss for the period	--	--	(190,393)	(190,393)
Transfer of incremental depreciation on the revalued items of property, plant and equipment, from the Surplus account (Net of Tax)	--	--	68,101	68,101
<b>Balance as on June 30, 2014</b>	<b>365,120</b>	<b>190,000</b>	<b>(580,919)</b>	<b>(25,799)</b>
Balance as on October 01, 2014	365,120	190,000	(451,489)	103,631
Total comprehensive income for the period	--	--	(371,649)	(371,649)
Right issue of paid up capital	300,000	--	--	300,000
Transfer of incremental depreciation on the revalued items of property, plant and equipment, from the Surplus account (Net of Tax)	--	--	62,718	62,718
<b>Balance as on June 30, 2015</b>	<b>665,120</b>	<b>190,000</b>	<b>(760,420)</b>	<b>94,700</b>

*The annexed notes form an integral part of these condensed interim financial statements.***Ghazanfar Baber Siddiqi**  
Chief Executive Officer**Dewan Abdul Rehman Farooqui**  
Director

**CONDENSED INTERIM SEGMENT WISE OPERATING RESULTS  
FOR THE NINE MONTHS ENDED JUNE 30, 2015**

	Sugar Segment		Polypropylene Segment		Board and Panel Segment		Distillery Segment		Total	
	Jun-15	Jun-14	Jun-15	Jun-14	Jun-15	Jun-14	Jun-15	Jun-14	Jun-15	Jun-14
<b>Gross Sales</b>										
Local Exports	2,557,236	2,682,861	4,680	-	78,545	128,808	63,675	34,370	2,704,136	2,846,039
	-	350,837	-	-	-	-	1,487,570	1,674,619	1,487,570	2,025,456
	2,557,236	3,033,698	4,680	-	78,545	128,808	1,551,245	1,708,989	4,191,706	4,871,495
<b>Sales Commission</b>	2,618	2,955	-	-	-	-	7,369	8,352	9,987	11,307
Sales Tax /Special Excise Duty	189,425	176,644	729	-	12,028	19,611	9,304	5,125	211,486	201,380
	192,043	179,599	729	-	12,028	19,611	16,673	13,477	221,473	212,687
<b>Net Sales</b>	2,365,193	2,854,099	3,951	-	66,517	109,197	1,534,572	1,695,512	3,970,233	4,658,808
<b>COST OF SALES</b>	2,409,598	2,930,703	6,726	7,786	76,112	127,010	1,453,518	1,561,138	3,945,954	4,626,637
Gross Profit / (Loss)	(44,405)	(76,604)	(2,775)	(7,786)	(9,595)	(17,813)	81,054	134,374	24,279	32,171
Administrative Expenses	61,886	53,154	258	149	420	382	12,550	9,061	75,114	62,746
Selling and Distribution Costs	2,835	17,588	-	-	6	-	85,954	88,225	88,795	105,813
	64,721	70,742	258	149	426	382	98,504	97,286	163,909	168,559
<b>Segment Results</b>	(109,126)	(147,346)	(3,033)	(7,935)	(10,021)	(18,195)	(17,450)	37,088	(139,630)	(136,388)

(Rupees in '000')

*Ghazanfar Baber Siddiqi*

**Ghazanfar Baber Siddiqi**  
Chief Executive Officer

*Dewan Abdul Rehman Farooqui*

**Dewan Abdul Rehman Farooqui**  
Director

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A YOUSUF DEWAN COMPANY

**CONDENSED INTERIM NOTES TO THE ACCOUNTS (UN-AUDITED)  
FOR THE NINE MONTHS ENDED JUNE 30, 2015****1 CORPORATE INFORMATION**

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

**2 STATEMENT OF COMPLIANCE**

These condensed financial statements have been prepared in accordance with requirements of the international Accounting standard 34 "interim Financial Reporting". In order to comply with the requirements of the above IAS, these financial statement include the following.

- Balance Sheet as at June 30, 2015 with comparative Balance Sheet as at September 30,2014.
- Profit and Loss Account and Comprehensive Income for the Quarter & Nine months ended June 30,2015 with comparable Profit and Loss account and Comprehensive Income for the comparable interim period ie Quarter & Nine Months ended June 30, 2014
- Cash flow statements and the statement of changes in equity cumulatively for the nine month ended June 30, 2015 with a comparative with comparable nine months ended June 30,2014

These financial statements are un-audited and are being submitted to share holders under the requirement of section 245 of the Company Ordinance 1984.

**3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and method of computation adopted in the preparation of these financial statements are the same as those applied in the preparation of the annual financial statements of the Company for the preceding year ended September 30, 2014.

**4 PROPERTY, PLANT AND EQUIPMENTS**

	<b>June 30, 2015</b>	September 30, 2014
	<b>(Rupees in '000')</b>	
Written Down Value Opening	<b>3,246,048</b>	3,483,490
Capital work-in-progress	<b>44,121</b>	77,700
Addition during the period	<b>102,870</b>	37,765
Depreciation for the period	<b>(193,084)</b>	(275,207)
	<b><u>3,199,955</u></b>	<u>3,323,748</u>

Fixed capital expenditure during the period amounted to Rs.69.291 million (September 30, 2014: Rs.115.465 million).

**DEWAN SUGAR MILLS LIMITED**

**5 SHORT TERM INVESTMENT - Related Party**

The Market value of Dewan Farooque Motors Limited as at June 30, 2015 Rs.9.91 per share and as of financial statement issuing date the market value of above share are Rs. 11.18 per share. Had the company account for the effect of change in market value of accounts issuing date the value of investment would have been increased by Rs. 17.34 million and the loss for the current period have been decreased by Rs. 17.34 million.

	June 30, 2015	September 30, 2014
<b>6 SHARE CAPITAL AND RESERVES</b>		
<b>Authorized Capital</b>		
50,000,000 (Sept 2014: 50,000,000) Ordinary Shares of Rs. 10/- each	500,000	500,000
<u>20,000,000</u> Increase in Authorise Capital Ordinary Share of Rs. 10/- each	200,000	-
<u>70,000,000</u> (Sept 2014: 50,000,000) Ordinary Shares of Rs. 10/- each	<u>700,000</u>	<u>500,000</u>
Issued, Subscribed and Paid-up Capital	365,120	365,120
Right issue of paid up capital from sponsor loan	300,000	-
	<u>665,120</u>	365,120
Reserves and Surplus	(570,420)	(261,489)
	<u>94,700</u>	<u>103,631</u>

	June 30, 2015	September 30, 2014
<b>7 SPONSORS LOAN - UNSECURED</b>		
Opening Balance	780,204	443,344
Addition during the period	43,140	336,860
	<u>823,344</u>	780,204
Right issue of paid up capital from sponsor loan	(300,000)	-
Present value adjustment	(398,625)	(594,719)
Add; Amortization Discount Charged to P&L	21,994	11,241
	<u>146,713</u>	<u>196,726</u>

The Sponsors loan had been measured at amortized cost in accordance with International Accounting standard 39, Financial Instruments: Recognition and Measurement, and have been discounted using the weighted average interest rate of ranging 11.18% per annum. these interest free loans are payable in lum sum on September, 30, 2027.

		June 30, 2015	September 30, 2014
<b>8 SYNDICATED LONG TERM FINANCE - SECURED</b>	<b>Note</b>		
<b>Re-schedule Term Finance</b>	<b>8.1</b>	2,703,175	3,018,500
<b>FIRST NATIONAL BANK MODARBAHA</b>			
Principal Amount	<b>8.2</b>	27,588	31,446
<b>MARK UP PAYABLE</b>			
Mark-up payable on Reschedule Term Finance	<b>8.3</b>	202,500	168,750
Mark-up payable (First National Bank Modaraba)	<b>8.4</b>	1,039	845
		<u>2,934,302</u>	3,219,541
Less: Repayment during the period		149,156	319,182
		<u>2,785,146</u>	2,900,359
Classified as current portion			
Current Maturity		502,323	502,323
Overdue installments		351,898	124,312
Less : Current Maturity on Long Term Loan		854,221	626,635
		<u>1,930,925</u>	<u>2,273,724</u>



- 8.1** This amount represent outstanding balance of rescheduled settled amount as per compromising decree dated February 18, 2011 granted by Honourable High Court of Sindh at Karachi. As per terms 32 quarterly instalments of principal loan ranging from Rs.57.09 million to Rs. 143.858 million will be payable in ten years with one year grace period with no mark-up through out the repayment period. The repayments of loan had been started from March 30, 2012 and last payment will be made on December 30, 2020
- 8.2** This amount represents principal outstanding rescheduled amount approved by the management of First National Bank Modaraba on June 15, 2011. The Principal amount will be paid in 32 quarterly un-equal instalments of Rs. 0.558 million to 1.520 million repayable in 10 year including grace Period of one year instalments commencing from 16th June, 2012 and the last instalment will be paid on March 16, 2021. No mark up will be charged during the period of tenure.
- 8.3** This amount represents accumulated running balance of token mark up of Rs 450 million payable to Syndicated (Summit Bank & Other) in 4 equal quarterly instalments of Rs. 112.5 million each. The mark-up will be accrued quarterly in ten years for 40 equal instalment of Rs. 11.250 million.
- 8.4** This amount represents accumulated running balance of token mark up of Rs 2.525 million payable to First National Bank Modaraba in 4 equal quarterly instalments of Rs.0.631 million each. The mark-up will be accrued quarterly in 9 years for 36 equal instalment of Rs.0.065 million..

		June 30, 2015	September 30, 2014
		(Rupees in '000')	
<b>Note</b>			
<b>9 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE</b>			
Present value of minimum lease payment		21,293	24,116
Current Maturity		(3,766)	(3,766)
		<u>17,527</u>	<u>20,350</u>
<b>10 DEFERRED LIABILITIES</b>			
Deferred Tax Liability for Staff Gratuity (Provision)	10.1	9,341	13,532
Deferred Income Tax Liability		27,661	58,552
		<u>37,002</u>	<u>72,084</u>
<p><b>10.1</b> The Company discontinued its policy for staff retirement benefits plan for gratuity on March 31, 2007 and provision for all its outstanding liabilities had been made until March 31, 2007. This payable amount was to transfer to provident fund scheme, however the Board of Trustee has amended the said clause and now the Company opted to pay this liability to each employees at the time of their separation from the Company.</p>			
		June 30, 2015	September 30, 2014
		(Rupees in '000')	
<b>Note</b>			
<b>11 SHORT TERM RUNNING FINANCES - SECURED</b>			
Short term running finances - Secured	11.1	192,196	192,196
Cash Finance Against Pledge(NBP)	11.2	80,012	220,108
Book over draft		86,231	11,379
		<u>358,439</u>	<u>423,683</u>
<p><b>11.1</b> This amount represent RF facility of Rs.192.196 million sanctioned by the lenders as per Court order/compromising decree. The facility is secured by the way of first charge over current assets of the Company with 20% margin. The mark-up of this facility is 3 month KIBOR plus 0.75% per annum payable quarterly basis.</p>			

**11.2** The amount represent outstanding balance of fresh Cash Finance (Pledge) Facility to the extent of Rs.250 million sanctioned by (NBP) for procurement of Molasses for further reprocessing it. The facility is on rollover basis and secured against Molasses as well as Ethenol with 15% margin excluding sales tax. The markup of this facility is 3 month KIBOR plus 1.75 per annum payable quarterly basis and markup rebate is also allowed on prompt payment of markup payment.

**12 CONTINGENCIES & COMMITMENTS**

There is no significant changes in the status of contingencies and commitments during the period as those reported in last published financial statements.

**13 TRANSACTION WITH RELATED PARTIES**

During the period, the aggregate of the transactions made by the Company with its associated companies in respect of purchases, sales & services were for Rs.7.36 million (September 30, 2014: Rs.25.108 million).

**14 DATE OF AUTHORIZATION FOR ISSUE**

These Financial Statements were authorized for issue on 27th July, 2015 by the board of directors of the Company.

**15 GENERAL**

Figures have been rounded off to the nearest thousand rupees.



**Ghazanfar Baber Siddiqi**  
Chief Executive Officer



**Dewan Abdul Rehman Farooqui**  
Director