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COMPANY INFORMATION

CHAIRMAN BOARD OF DIRECTORS

Dewan Muhammad Yousuf Farooqui

EXECUTIVE DIRECTORS

Ghazanfar Babar Siddiqui
Dewan Abdul Rehman Farooqui
Muhammad Baqir Jafferi

NON-EXECUTIVE DIRECTORS

Dewan Muhammad Yousuf Farooqui
Dewan Abdul Baqi Farooqui
Haroon Iqbal
Ishtiaq Ahmad

COMPANY SECRETARY

Syed Muhammad Salahuddin

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

Haroon Iqbal
Ghazanfar Baber Siddiqui
Ishtiaq Ahmad

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:

7th 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
Anam Estate Building, Room No. 310 & 311,
3rd Floor, 49, Darul Aman Society,
Main Shahrah-e-Faisal, Adjacent Baloch Colony,
Karachi, Pakistan.

FACTORY

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

WEBSITE

www.yousufdewan.com

DIRECTORS' REPORT

IN THE NAME OF ALLAH; THE MOST GRACIOUS AND MERCIFUL
IF YE GIVE THANKS, 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 March 31, 2014.

Financial Results.

During the period under consideration, your Company has suffered after tax loss of Rs.63.50 million, as compared to profit of Rs.15.89 million in the corresponding period.

Performance Review

Sugar Segment

The plant started its crushing on 13th December 2013 and operated (92 days) till 14th March 2014 as compared to last year operation restricted to 82 days. During this period your Company was able to crush 634,634 tons of sugar cane as against 401,196 tons last season, showing 58% improvement as compared to last season. During the period 64,600 tons of sugar was produced against 40,245 tons last season which shows 61% increased in production over last season. The average recovery during this period showing 10.18% against 10.01% last season, which shows improvement in recovery. Sindh Govt. had fixed the minimum support price of Rs. 172/- per 40kg for this season, which was similar to last season. However the prices of white refined sugar in local as well as international market remained depressed as compared to the same period in last year, and have no relationship with minimum support price of sugarcane.

Distillery Segment

Distillery unit produced 13,045 tons of Alcohol during the period under review as compared to 10,498 tons of Alcohol produced during the corresponding period last year. This unit remained closed in the month of November 2013 for annual repair & maintenance and expected to remain smoothly operational till end of the season. It is foreseen that due to higher prices of feed stocks and keeping in view low ethanol prices globally profitability of this unit will not be the same as previous. However we hope that unit will perform positively. Management is planning to supply power from distillery unit after modification and installing new power generations sets to board and panel and polypropylene unit.

Chip Board Segment

Chip Board plant has produced 82,550 sheets during the period under review as against last period 64,860 sheets were produced. Management is focused on producing some value added products which will enable chip board unit to improve its profitability. The unit has recently introduced some value added products which is well accepted in market. This segment is dependent on poor supply of electricity from WAPDA, which has really brought down the production and affecting the quality of product.

Polypropylene Segment

Polypropylene segment remained non-operative. The management anticipates that operation of this segment will be regularized in the following season, as working capital lines from the banks will be available.

With the grace of Almighty Allah, we are timely meeting our debt servicing commitment despite difficulty. Till to date the Company has repaid more than 634.11 million and Insha'Allah, remaining installments will also be paid on time.

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.

I.O.-MY LORD IS INDEED HEARER OF PRAYER (HOLY QURAN)

By and under Authority of the Board of Directors



Dewan Muhammad Yousuf Farooqui
Chairman

Place : Karachi

Date : May 26, 2014

AUDITORS' REVIEW REPORT TO THE MEMBERS ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying Condensed balance sheet of Dewan Sugar Mills Limited ("the company") as at March 31, 2014 and the related Condensed profit and loss account, Condensed Statement of Comprehensive Income, Condensed cash flow statement, Condensed statement of changes in equity together with the notes forming part thereof (hereinafter referred to as the 'Condensed interim financial statements') for the six months period then ended. Management is responsible for the preparation and Presentation of this Condensed interim financial statements in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this Condensed interim financial statements based on our review. The figures of the condensed interim profit and loss account for the quarters ended March 31, 2014 and March 31, 2013 have not been reviewed as we are required to review only the cumulative figures for the Six month ended March 31, 2014.

Scope of Review

We conducted our review in accordance with the International Standard on review engagements 2410, "Review of Condensed interim financial statements performed by the independent Auditor of the Entity". A review of Condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Qualified Conclusion

Based on our review nothing has come to our attention that causes us to believe that the accompanying Condensed interim financial statements as of and for the six months period ended March 31, 2014 are not prepared, in all material respects, in accordance with approved accounting standard as applicable in Pakistan.



CHARTERED ACCOUNTANTS

Audit Engagement Partner: Mohammad Ghalib

Place : Karachi
Date : May 26, 2014

**CONDENSED INTERIM BALANCE SHEET
FOR THE HALF YEAR ENDED MARCH 31, 2014**

ASSETS	Notes	(Un-Audited)	(Audited)
		Mar.31, 2014	Sep.30, 2013
		(Rupees in '000')	
NON-CURRENT ASSETS			
Property, Plant and Equipment	4	3,358,342	3,483,490
CURRENT ASSETS			
Stores, Spares and Loose Tools		428,518	422,179
Stock-in-Trade		1,693,932	665,105
Trade Debts - Unsecured, Considered Good		383,195	220,599
Loans and Advances - Unsecured, Considered Good		1,001,445	1,053,769
Trade Deposits, Short-Term Prepayments and Current Balances with Statutory Authorities		21,155	16,973
Income Tax Refunds and Advances		85,543	66,895
Short Term Investment - Related Party	5	90,636	66,203
Cash and Bank Balances		48,152	45,532
		3,752,576	2,557,255
		7,110,918	6,040,745
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Capital			
50,000,000 (Sept 2013: 50,000,000) Ordinary Shares of Rs. 10/- each		500,000	500,000
Issued, Subscribed and Paid-up Capital		365,120	365,120
Reserves and Surplus		(604,528)	(611,424)
		(239,408)	(246,304)
SURPLUS ON REVALUATION OF PROPERTY, PLANT & EQUIPEMNT (Net)		917,945	963,916
NON-CURRENT LIABILITIES			
Sponsors Loan - Unsecured	6	650,204	443,344
Re-schedule Term Finance	7	2,502,256	2,730,789
Liabilities Against Assets Subject to Finance Lease -Secured	8	22,233	24,116
Deferred Liabilities	9	125,343	152,520
CURRENT LIABILITIES			
Trade and Other Payables - Unsecured		1,615,991	935,219
Interest, Profit, Mark-up Accrued on Loans and Other Payables		16,202	2,743
Short Term Finances - Secured	10	863,968	492,951
Current Portion of Non-Current Liabilities	7 & 8	505,185	445,453
Provision for Taxation		130,999	95,998
		3,132,345	1,972,364
CONTINGENCIES & COMMITMENTS	11	-	-
		7,110,918	6,040,745

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 PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE HALF YEAR ENDED MARCH 31, 2014

	Half Year Ended		Quarter Ended	
	Mar.31, 2014	Mar.31, 2013	Mar.31, 2014	Mar.31, 013
	(Rupees in '000')			
Sales	3,481,583	2,545,563	2,637,424	1,963,830
Cost of Sales	(3,370,613)	(2,366,975)	(2,443,631)	(1,700,134)
Gross Profit	110,970	178,588	193,793	263,696
Administrative and General Expenses	(41,979)	(34,726)	(23,246)	(19,142)
Distribution and Selling Costs	(72,382)	(86,058)	(36,230)	(53,689)
Other Operating Income	2,841	3,611	2,160	1,899
(Loss) / Profit from Operations	(550)	61,415	136,477	192,764
Finance Cost	(52,711)	(45,440)	(29,502)	(28,278)
(Loss) / Profit before Income Tax	(53,261)	15,975	106,975	164,486
Taxation	(10,247)	(81)	(14,693)	(4,140)
(Loss) / Profit for the period (after Income Tax)	(63,508)	15,894	92,282	160,346
(Loss) / Profit per Share - Basic	(1.74)	0.44	2.53	4.39

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 STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR ENDED MARCH 31, 2014

	Half Year Ended		Quarter Ended	
	Mar.31, 2014	Mar.31, 2013	Mar.31, 2014	Mar.31, 2013
	(Rs. in '000')			
(Loss) / Profit for the Period	(63,508)	15,894	92,282	160,346
Available for Sale Financial Assets:				
Changes in Fair Value	24,434	17,062	14,060	14,060
Total Comprehensive (Loss) / Income for the Period	<u>(39,074)</u>	<u>32,956</u>	<u>106,342</u>	<u>174,406</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

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE HALF YEAR ENDED MARCH 31, 2014

	Mar.31, 2014	Mar.31, 2013
Cash Flow from Operating Activities	(Rupees in '000')	
(Loss) / Profit Before Taxation	(53,261)	15,975
Adjustment for Non-Cash and Other Items:		
Depreciation	138,343	115,040
Financial Charges	52,711	45,440
	191,054	160,480
	137,793	176,455
Changes in Operating Assets and Liabilities		
<i>(Increase) / Decrease in Current Assets</i>		
Stores and Spares	(6,339)	(6,259)
Stock in Trade	(1,028,827)	(482,692)
Trade Debts	(162,597)	(204,443)
Loans and Advances	52,324	(117,792)
Trade Deposits, Prepayments & Other Balances	(4,181)	(15,784)
<i>Increase / (Decrease) in Current Liabilities</i>		
Trade and Other Payables	680,772	314,293
Short Term Finances	371,017	405,807
	(97,831)	(106,870)
Taxes Paid	(18,648)	(25,988)
Financial Charges Paid	(16,622)	(33,729)
Gratuity Paid	(2,424)	(8,101)
	(37,694)	(67,818)
Net Cash Flows from Operating Activities	2,268	1,767
Cash Flow from Investing Activities		
Fixed Capital Expenditure	(13,195)	(10,346)
Net Cash Out Flows from Investing Activities	(13,195)	(10,346)
Cash Flow from Financing Activities		
Sponsors Loan	206,860	170,000
Syndicated Term Finance Secured	(191,014)	(123,801)
Morabaha Payment	(1,320)	(1,117)
Lease Finance	(979)	(6,754)
Net Cash Out Flows from Financing Activities	13,547	38,328
Net Increase in Cash and Bank Balances	2,620	29,749
Cash and Bank Balances at Beginning of the Period	45,532	22,188
Cash and Bank Balances at the End of the Period	48,152	51,937

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 STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED MARCH 31, 2014

	Issued, Subscribed & Paid-up Capital	General Reserve	Accumulated Profit/(Loss)	Total
(Rupees in '000')				
Balance as on October 01, 2012	365,120	190,000	(825,574)	(270,454)
Total comprehensive income for the period	--	--	32,956	32,956
Transfer of incremental depreciation on the revalued items of property, plant and equipment, from the Surplus account (Net of Tax)	--	--	37,178	37,178
Balance as on March 31, 2013	365,120	190,000	(755,440)	(200,320)
Balance as on October 01, 2013	365,120	190,000	(801,424)	(246,304)
Total comprehensive (loss) for the period	--	--	(39,074)	(39,074)
Transfer of incremental depreciation on the revalued items of property, plant and equipment, from the Surplus account (Net of Tax)	--	--	45,970	45,970
Balance as on March 31, 2014	365,120	190,000	(794,528)	(239,408)

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 SEGMENTWISE OPERATING RESULTS(UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2014**

	Sugar Segment		Polypropylene Segment		Board and Panel Segment		Distillery Segment		Total	
	Mar-14	Mar-13	Mar-14	Mar-13	Mar-14	Mar-13	Mar-14	Mar-13	Mar-14	Mar-13
Gross Sales										
Local	2,286,632	1,117,977	-	-	78,956	38,788	12,605	6,572	2,378,194	1,163,337
Exports	296,278	574,859	-	-	-	-	976,598	885,402	1,272,876	1,460,261
	2,582,910	1,692,836	-	-	78,956	38,788	989,203	891,974	3,651,070	2,623,598
Sales Commission										
Sales Tax /Special Excise Duty	2,548	3,181	-	-	-	-	4,904	4,317	7,452	7,498
	148,162	64,282	-	-	12,006	5,350	1,867	906	162,035	70,537
	150,710	67,463	-	-	12,006	5,350	6,771	5,223	169,487	78,035
Net Sales	2,432,200	1,625,373	-	-	66,950	33,438	982,432	886,751	3,481,583	2,545,563
COST OF SALES										
Gross Profit / (Loss)	2,429,458	1,588,020	5,090	2,305	76,617	33,422	859,448	743,228	3,370,613	2,366,975
	2,742	37,353	(5,090)	(2,305)	(9,667)	16	122,984	143,523	110,970	178,588
Administrative Expenses										
Selling and Distribution Costs	35,513	30,552	109	71	257	36	6,100	4,067	41,979	34,726
	15,079	25,157	-	-	-	-	57,303	60,901	72,382	86,058
	50,592	55,709	109	71	257	36	63,403	64,968	114,361	120,784
Segment Results	(47,850)	(18,356)	(5,199)	(2,376)	(9,924)	(20)	59,581	78,555	(3,391)	57,804

(Rupees in '000')

Ghazanfar Baber Siddiqi
Chief Executive Officer

Dewan Abdul Rehman Farooqui
Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED MARCH 31, 2014**

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 Jilaniabad, 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 interim financial statements are un-audited but subject to limited scope review by the auditors. These financial statements are un-audited and are being submitted to the share holders under the requirement of section 245 of the Companies Ordinance 1984. These condensed interim financial statements of the company for the six months period ended March 31, 2014 has been prepared in accordance with the requirements of International Accounting Standard (IAS) -34 "Interim Financial Reporting" and Provisions of and directives issued under the companies Ordinance, 1984, in case where the requirements differ, the provision of or directives issued under the Companies Ordinance, 1984 have been followed.

The figures of the condensed interim profit and loss account for the quarters ended March 31, 2013 and 2014 have not been reviewed by the auditors of the company as they have reviewed the cumulative figures for the half years ended March 31, 2013 and 2014. These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the company's annual financial statements for the year ended September 30, 2013.

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, 2013.

4 PROPERTY, PLANT AND EQUIPMENTS

	March 31, 2014	September 30, 2013
(Rupees in '000')		
Written Down Value Opening	3,483,490	2,967,558
Addition during the period	13,195	253,061
Add: Surplus on Revaluation during the period	-	520,876
Depreciation for the period	(138,343)	(258,005)
	3,358,342	3,483,490

The company had revalued its Factory building and Plant and Machinery which arises revaluation surplus amounting to Rs. 520.876 million, revaluation carried by independent valuer M/s Asif Associates as on March 21, 2013. Valuation made on the basis of Direct Method i.e. Physical inspection and Allocating approximate fair value as per the inquiries conducted by Asif associates from different sources and experience of such assignments.

5 SHORT TERM INVESTMENT - Related Party

The Market value of Dewan Farooque Motors Limited Share as at March 31, 2014 was Rs.6.64 per share and as of financial statement issuing date the market value of above share is Rs.7.10 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.6.28 million and the loss for the current period have been decreased by Rs.6.28 million.

	March 31, 2014	September 30, 2013
6 SPONSORS LOAN - UNSECURED		
Opening Balance	443,344	203,344
Addition during the period	206,860	240,000
	<u>650,204</u>	<u>443,344</u>

This represents interest/mark-up free unsecured loan obtained from sponsors of the Company from time to time for financial requirement needed by the Company for smooth running of Sugar Plant.

		March 31, 2014	September 30, 2013
7 SYNDICATED LONG TERM FINANCE - SECURED	Note		
Re-schedule Term Finance	7.1	3,018,500	3,275,705
FIRST NATIONAL BANK MODARBAHA			
Principal Amount	7.2	31,446	33,883
MARK UP PAYABLE			
Mark-up payable on Reschedule Term Finance	7.3	146,250	123,750
Mark-up payable (First National Bank Modaraba)	7.4	716	587
		<u>3,196,912</u>	<u>3,433,925</u>
Less: Repayment during the period		192,333	259,641
		<u>3,004,579</u>	<u>3,174,284</u>
Less : Current Maturity on Long Term Loan		502,323	443,495
		<u>2,502,256</u>	<u>2,730,789</u>

7.1 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

DEWAN SUGAR MILLS LIMITED

7.2 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.

7.3 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.

7.4 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.

	March 31, 2014	September 30, 2013	
	(Rupees in '000')		Note
8 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE			
Present value of minimum lease payment	25,095	26,074	
Current Maturity	(2,862)	(1,958)	
	22,233	24,116	
9 DEFERRED LIABILITIES			
Deferred Tax Liability for Staff Gratuity (Provision)	16,473	18,897	9.1
Deferred Income Tax Liability	108,870	133,623	
	125,343	152,520	

9.1 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.

	March 31, 2014	September 30, 2013	
	(Rupees in '000')		Note
10 SHORT TERM RUNNING FINANCES - SECURED			
Short term running finances - Secured	192,196	192,196	10.1
Cash Finance Against Pledge	174,173	164,024	10.2
Cash Finance Against Pledge(NBP)	249,955	103,619	10.3
Cash Finance Against Pledge (Summit Bank)	99,600	-	10.4
Cash Finance Against Pledge(NBP)	143,262		10.5
Book over draft	4,782	33,112	
	863,968	492,951	



- 10.1** This amount represent RF facility of Rs.192.196 million sactioned 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.
- 10.2** Amount represent Cash Finance (Pledge) facility of Rs.250 million sactioned 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.
- 10.3** The amount represent outstanding balance of fresh Cash Finance (Pledge) Facility to the extent of Rs.250 million sactioned by (NBP) for procurement of Molasses for further reprocessing it. The facility is on rolover 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.
- 10.4** Amount represent Cash Finance (Pledge) facility of Rs.100 million sactioned by Summit Bank Ltd. The facility is secured by pledge of refined sugar stock of current season (2013-14) with 10% margin. The mark-up of this facility is 3 month KIBOR plus 3% per annum payable quarterly basis.
- 10.5** Amount represent Cash Finance (Pledge) facility of Rs.150 million sactioned by (NBP). The facility is secured by pledge of refined sugar stock of current season (2013-14) with 25% margin. The mark-up of this facility is 3 month KIBOR plus 2.5% per annum payable quarterly basis.
- 11 CONTINGENCIES & COMMITMENTS**
6.3 million performance cash guarantce given to Trading Corporation of Pakistan against supply of 2,580 tons of sugar.
- 12 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.7.45 million (September 30, 2013: Rs.11.238million).
- 13 DATE OF AUTHORIZATION FOR ISSUE**
These Financial Statements were authorized for issue on 26th May, 2014 by the board of directors of the Company.
- 14 GENERAL**
Figures have been rounded off to the nearest thousand rupees.

Ghazanfar Baber Siddiqi
Chief Executive Officer

Dewan Abdul Rehman Farooqui
Director