



THE PREMIER SUGAR MILLS
& DISTILLERY CO. LTD.,
MARDAN

QUARTERLY ACCOUNTS
(UN-AUDITED)
AS ON DECEMBER 31, 2011

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS

CHAIRMAN Khan Aziz Sarfaraz Khan

CHIEF EXECUTIVE Mr. Abbas Sarfaraz Khan

DIRECTORS Begum Laila Sarfaraz

Ms. Zarmine Sarfaraz

Ms. Najda Sarfaraz

Ms. Mahnaz Saigol

Mr. Iskander M. Khan

Mr. Babar Ali Khan

Mr. Abdul Qadar Khattak

BOARD AUDIT COMMITTEE Khan Aziz Sarfaraz Khan Chairman

Ms. Najda Sarfaraz Member

Mr. Babar Ali Khan Member

COMPANY SECRETARY Mr. Mujahid Bashir

CHIEF FINANCIAL OFFICER Mr. Rizwan Ullah Khan

AUDITORS Messrs Hameed Chaudhri & Co.,
Chartered Accountants

COST AUDITORS Messrs Munawar Associates,
Chartered Accountants.

TAX CONSULTANTS Messrs Hameed Chaudhri & Co.,
Chartered Accountants

LEGAL ADVISORS Mr. Qazi Muhammad Anwar Advocate

SHARES REGISTRAR Messrs Hameed Majeed Associates,
(PVT.) Limited, H.M House, 7-bank Square, Lahore

BANKERS National Bank of Pakistan

Habib Bank Limited

MCB Bank Limited

United Bank Limited

Allied Bank Limited

The Bank of Khyber

PICIC Commercial Bank Limited

Innovative Investment Bank Limited

The Bank Of Punjab

Bank Alfalah Limited

Faysal Bank Limited

REGISTERED OFFICE Mardan (khyber Pakhtoonkhawa)

Phones: (0937) 862051-862052

Fax: (0937) 862989

FACTORY Mardan

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED

DIRECTORS' REVIEW REPORT

The directors are pleased to present the 1st quarterly financial statements for the period ended on December 31, 2011 to the shareholders of the Company in compliance with the Section 245 of the Companies Ordinance, 1984 and the listing regulations of the Karachi and Islamabad Stock Exchanges.

OPERATIONAL PERFORMANCE

The sugarcane crushing season 2011-12 commenced on 20 November, 2011, we crushed 152,960 tons of sugarcane up to 23 January, 2012 and have produced 14,290 tons of sugar at an average recovery of 9.63 %. The Government has increased the sugarcane support price from Rs.125/- to Rs.150/- per 40Kg. Supply of sugarcane has improved due to the normal Gur prices in the current season. However, farmers are expecting higher sugarcane prices due to increase in cost of fertilizers, fuel and various inputs. Presently the cost of production is higher than sale price of sugar. The Company suffered losses in this quarter due to high sugarcane cost and heavy financial charges. However, we hope to be profitable in the days to come subject to the regular supply of sugarcane.

DISTILLERY

353,600 Gallons of Industrial Alcohol was produced upto 23 January, 2012.

CONSOLIDATED FINANCIAL RESULTS

Consolidated financial statements are annexed with these financial statements as required under section 237 of the Companies Ordinance 1984.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these quarterly financial statements are the same as applied in the preparation of the preceding annual financial statements of the Company.

ACKNOWLEDGEMENT

The Directors appreciate the spirit of good work done by the Company's staff at all levels.

Mardan
27 January, 2012

**THE PREMIER SUGAR MILLS &
BALANCE SHEET AS AT**

	<u>Unaudited</u> Dec. 31, 2011 (Rupees in thousand)	<u>Audited</u> Sep.30 2011
EQUITY AND LIABILITIES		
CAPITAL AND RESERVE		
Authorised capital 5,750,000 ordinary shares of Rs.10 each	<u>57,500</u>	<u>57,500</u>
Issued, subscribed and paid-up capital	37,500	37,500
Reserves	900,001	900,001
Accumulated loss	<u>(54,240)</u> 883,261	<u>(22,501)</u> 915,000
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	3 381,039	388,883
NON-CURRENT LIABILITIES		
Deferred taxation	65,677	91,360
Staff retirement benefits - gratuity	24,324 90,001	23,241 114,601
CURRENT LIABILITIES		
Trade and other payables	249,808	31,118
Accrued mark-up on short term borrowings	27,111	30,267
Short term borrowings	583,558	797,126
Sales tax payable	18,180	0
Taxation	3 400	338
	879,057	858,849
CONTINGENCIES AND COMMITMENTS	4	
	<u>2,233,358</u>	<u>2,277,333</u>

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

CHIEF EXECUTIVE

**DISTILLERY COMPANY LIMITED
31 DECEMBER, 2011 (UN-AUDITED)**

	<u>Unaudited</u> Dec. 31, 2011 (Rupees in thousand)	<u>Audited</u> Sep.30 2011
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	5 665,059	673,845
Investment Property	6 36,624	37,066
Investments	7 170,006	170,006
Long term loan to subsidiary Company	322,500	322,500
Security deposits	5,378	517
	<u>1,199,567</u>	<u>1,203,934</u>
CURRENT ASSETS		
Stores and spares	118,452	104,531
Stock-in-trade	545,524	668,598
Trade debts	76,361	24,472
Loans and advances	6,051	10,945
Trade deposits and short term prepayments	155	2,072
Accrued profit / mark-up on bank deposits and loan to subsidiary company	413	100
Other receivables	548	479
Sales tax refundable	0	18,540
Income tax refundable, advance income tax and tax deducted at source	16,867	15,965
Short term investments	8 100,339	178,416
Bank balances	9 169,081	49,281
	<u>1,033,791</u>	<u>1,073,399</u>
	<u>2,233,358</u>	<u>2,277,333</u>

DIRECTOR

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
PROFIT AND LOSS ACCOUNT - (UNAUDITED)
FOR THE 1ST QUARTER ENDED 31 DECEMBER, 2011

	1 Oct, 11 to 31 Dec, 2011	1 Oct, 10 to 31 Dec, 2010
	(Rupees in thousand)	
TURNOVER - Local	616,532	348,685
- Export	13,140	0
	629,672	348,685
Less: Sales Tax / Federal excise duty	43,439	13,903
SALES - net	586,233	334,782
COST OF SALES	621,111	348,959
GROSS LOSS	(34,878)	(14,177)
ADMINISTRATIVE EXPENSES	16,989	14,040
DISTRIBUTION COST	6,938	448
	23,017	14,488
OPERATING LOSS	(57,895)	(28,665)
OTHER OPERATING INCOME	20,265	34,151
	(37,630)	5,486
OTHER OPERATING EXPENSES	122	327
FINANCE COST	27,452	810
	27,574	1,137
(LOSS) / PROFIT BEFORE TAXATION	(65,204)	4,349
PROVISION FOR TAXATION		
- Current	62	3,379
- Deferred	(25,683)	6,732
	(25,621)	10,111
LOSS AFTER TAXATION	(39,583)	(5,762)
OTHER COMPREHENSIVE INCOME	0	0
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(39,583)	(5,762)
	----- Rupees -----	
LOSS PER SHARE	(10.56)	(1.54)

- The annexed notes form an integral part of these financial statements.
- Appropriations have been reflected in the statement of changes in equity.

CHIEF EXECUTIVE

DIRECTOR

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
CASH FLOW STATEMENT - (UNAUDITED)
FOR THE 1ST QUARTER ENDED 31 DECEMBER, 2011

	31-Dec., 2011	31-Dec., 2010
	(Rupees in thousand)	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / Profit for the period - before taxation	(65,204)	4,349
Adjustments for:		
Depreciation on property, plant and equipment	15,696	14,561
Depreciation on investment property	442	484
Mark-up on loan to Subsidiary company and profit / Mark-up on bank deposits	(12,519)	(399)
Staff retirement benefits-gratuity (Net)	1,083	1,165
Loss on sale of Vehicle	120	0
Unrealised gain on remeasurement of long term investments at fair value	0	(3,237)
Gain on remeasurement of short term investments to fair value	(3,422)	(7,824)
Finance cost	27,452	810
	(36,352)	9,909
EFFECT ON CASH FLOWS DUE TO WORKING CAPITAL CHANGES		
(Increase) / decrease in current assets:		
Stores and spares	(13,921)	115
Stock-in-trade	123,074	5,191
Trade debtors	(51,889)	28,997
Loans and advances	4,894	(3,548)
Trade Deposits and short term prepayments	1,917	(4)
Other receivables	(69)	(4)
Sales tax - net	36,720	1,845
Short term investments	81,499	(121,824)
Increase in trade and other payables	218,690	90,195
	400,915	963
CASH USED IN OPERATIONS	364,563	10,872
Taxes paid	(902)	(810)
Security Deposits	(4,861)	(19)
NET CASH GENERATED FROM OPERATING ACTIVITIES	358,800	10,043
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(7,183)	0
Sale proceeds of operating fixed assets	153	0
Mark-up on loan to Subsidiary company and profit / Mark-up on bank deposits received	12,206	21,161
NET CASH GENERATED FROM INVESTING ACTIVITIES	5,176	21,161
CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowings-net	(213,568)	67,395
Finance cost paid	(30,608)	(2,425)
NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES	(244,176)	64,970
	395,928	
NET INCREASE IN CASH AND CASH EQUIVALENTS	119,800	96,174
CASH AND CASH EQUIVALENTS - At the beginning of the period	49,281	55,644
CASH AND CASH EQUIVALENTS - At the end of the period	169,081	151,818

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

CHIEF EXECUTIVE

DIRECTOR

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY- (UNAUDITED)
FOR THE 1ST QUARTER ENDED 31 DECEMBER, 2011

	Share capital	Reserves			Accumulated Profit	TOTAL
		Capital Share redemption	Revenue General	Sub-total		
Balance as at 30 September, 2010	37,500	1	900,000	900,001	141,750	1,079,251
Total comprehensive loss for the year	0	0	0	0	(192,566)	(192,566)
Transaction with owners:						
Final cash dividend for the year ended 30 September, 2010 at the rate of Re. 1 per share	0	0	0	0	(3,750)	(3,750)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for current year -net of deferred taxation	0	0	0	0	32,065	32,065
Balance as at 30 September, 2011	37,500	1	900,000	900,001	(22,501)	915,000
Total comprehensive loss for the year	0	0	0	0	(39,583)	(39,583)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for current period	0	0	0	0	7,844	7,844
Balance as at 31 December, 2011	37,500	1	900,000	900,001	(54,240)	883,261

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

CHIEF EXECUTIVE

DIRECTOR

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS- (UNAUDITED)
FOR THE 1ST QUARTER ENDED 31 DECEMBER, 2011

1. CORPORATE INFORMATION

The Company was incorporated on 24 July, 1944 as a Public Company and its shares are quoted on Islamabad and Karachi Stock Exchanges. The Company is principally engaged in manufacture and sale of white sugar and spirit. The Company's Mills and its Registered Office are located at Mardan (Khyber Pakhtoonkhwa).

2. BASIS OF PREPARATION

- a) These financial statements have been prepared in accordance with the requirements of International Accounting Standard 34 (Interim Financial Reporting) and are being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Islamabad and Karachi Stock Exchanges. These financial statements are un-audited.
- b) The accounting policies adopted for the preparation of these financial information are the same as those applied in preparation of the preceding published annual financial statements of the Company for the year ended 30 September, 2011.

3. TAXATION

3.1

Provision for minimum tax u/s 113 has not been made due to gross loss during the period.

3.3

There has been no change in taxation matters since the date of preceding published annual financial statements of the Company.

4. CONTINGENCIES AND COMMITMENTS

- 4.1** Guarantee given to Sui Northern Gas Pipelines Ltd. By banks on behalf of the Company outstanding as at 31 December, 2011 was for Rs. 10 million (30 September, 2011: Rs. 10 million).
- 4.2** There has been no significant change in other contingencies since the date of preceding published annual financial statements of the Company.
- 4.3** No commitments against irrevocable letters of credit were outstanding as at 31 December, 2011.

5. PROPERTY, PLANT & EQUIPMENT

	Un-audited 31 Dec., 2011 (Rupees in thousand)	Audited 30 Sep., 2011
Opening book value	673,845	620,264
Additions during the period / year	7,183	246
- Disposals	(273)	0
Depreciation charge for the period / year	(15,696)	(57,657)
Elimination of accumulated depreciation against gross carrying amount	0	110,992
Closing book value	<u>665,059</u>	<u>673,845</u>

	Un-audited 31 Dec., 2011 (Rupees in thousand)	Audited 30 Sep., 2011
6. INVESTMENT PROPERTY		
Opening book value	37,066	39,002
Depreciation charge for the period / year	<u>(442)</u>	<u>(1,936)</u>
Closing book value	<u>36,624</u>	<u>37,066</u>

7. INVESTMENTS

There has been no change in the investments portfolio of the Company during the current period.

8. SHORT TERM INVESTMENTS

- At fair value through profit or loss

Alfalah GHP Cash fund - 21,018 Units	10,248	14,882
MCB Cash management optimizer - 49,484 Units	4,950	53,872
Pakistan Cash management - 334,854 Units	16,377	35,000
Askari sovereign cash Fund - 675,552 Units	<u>65,957</u>	<u>59,000</u>
	97,532	162,754
Add: Adjustment on re-measurement to fair value	<u>2,807</u>	<u>15,662</u>
	<u>100,339</u>	<u>178,416</u>

9. BANK BALANCES

The status of the matter, as detailed in note 26.3 to the Company's published financial statements for the year-ended 30 September, 2011, has remained unchanged during the current period.

10. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 27 January, 2012 by the Board of Directors of Company.

11. SEGMENT REPORTING

Operating results of the Distillery have not been separately disclosed in these financial statements as these do not meet the minimum thresholds prescribed by IAS 14 (Segment Reporting).

12. GENERAL

Figures:

- in the financial statements have been rounded-off to the nearest Thousand Rupees except stated otherwise and
- corresponding figures have been re-arranged wherever required.

CHIEF EXECUTIVE

DIRECTOR



**THE PREMIER SUGAR MILLS
& DISTILLERY CO. LTD.,
MARDAN**

**CONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE 1ST QUARTER ENDED
31 DECEMBER, 2011**

**THE PREMIER SUGAR MILLS &
CONSOLIDATED BALANCE SHEET AS**

	<u>Unaudited</u> Dec.31 2011	<u>Audited</u> Sep.30 2011
	Rupees in thousand	
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
Authorised capital 5,750,000 ordinary shares of Rs.10 each	<u>57,500</u>	<u>57,500</u>
Issued, subscribed and paid-up capital	37,500	37,500
Reserves	1,015,252	1,017,378
Unappropriated profit	39,376	138,714
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	<u>1,092,128</u>	<u>1,193,592</u>
NON-CONTROLLING INTEREST	251,580	318,924
	<u>1,343,708</u>	<u>1,512,516</u>
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	1,520,809	1,552,682
NON-CURRENT LIABILITIES		
Long term finances	490,000	340,000
Loans from Associated Companies	180,000	180,000
Liabilities against assets subject to finance lease	7,249	6,207
Deferred liabilities: - deferred taxation - staff retirement benefits - gratuity	541,779	600,184
	<u>27,979</u>	<u>26,700</u>
	1,247,007	1,153,091
CURRENT LIABILITIES		
Trade and other payables	1,980,398	300,397
Accrued mark-up	115,935	155,715
Short term borrowings	1,086,441	2,702,226
Current portion of non-current liabilities	202,141	248,366
Dividends payable to non-controlling interest	3,490	3,490
Sales tax and federal excise duty payable	152,712	0
Taxation	79,995	79,932
	3,621,112	3,490,126
CONTINGENCIES AND COMMITMENTS		
	<u>7,732,636</u>	<u>7,708,415</u>

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

CHIEF EXECUTIVE

**DISTILLERY COMPANY LIMITED
AT 31 DECEMBER, 2011 (UN-AUDITED)**

	<u>Unaudited</u> Dec.31 2011	<u>Audited</u> Sep.30 2011
	Rupees in thousand	
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	3,797,916	3,877,650
Intangible assets	175	200
Investment property	36,624	37,066
Investments	58,482	61,616
Security deposits	9,179	4,318
	<u>3,902,376</u>	<u>3,980,850</u>
CURRENT ASSETS		
Stores and spares	347,956	306,478
Stock-in-trade	1,160,257	2,637,889
Trade debts	699,381	63,204
Loans and advances	82,836	85,968
Trade deposits and short term prepayments	760	3,856
Accrued profit / mark-up on bank deposits	1,387	1,073
Other receivables	899	4,168
Income tax refundable, advance income tax and tax deducted at source	90,076	66,786
Short term investments	974,572	404,474
Bank balances	472,136	153,669
	<u>3,830,260</u>	<u>3,727,565</u>
	<u>7,732,636</u>	<u>7,708,415</u>

DIRECTOR

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE 1ST QUARTER ENDED 31 DECEMBER, 2011

	<u>Oct. - Dec.</u> 2011	<u>Oct. - Dec.</u> 2010
	Rupees in thousand	
SALES - Net	3,378,198	1,347,108
COST OF SALES	3,484,519	1,272,008
GROSS (LOSS) / PROFIT	<u>(106,321)</u>	<u>75,100</u>
DISTRIBUTION COST	12,514	1,336
ADMINISTRATIVE EXPENSES	45,684	37,474
OTHER OPERATING EXPENSES	148	354
	<u>58,346</u>	<u>39,164</u>
	<u>(164,667)</u>	<u>35,936</u>
OTHER OPERATING INCOME	14,091	28,114
OPERATING (LOSS) / PROFIT	<u>(150,576)</u>	<u>64,050</u>
FINANCE COST	105,290	35,817
	<u>(255,866)</u>	<u>28,233</u>
(LOSS) / PROFIT FROM ASSOCIATED COMPANIES - Net	(553)	5,237
(LOSS) / PROFIT BEFORE TAXATION	<u>(256,419)</u>	<u>33,470</u>
TAXATION		
Group		
- current	194	13,512
- deferred	<u>(58,407)</u>	<u>6,732</u>
	<u>(58,213)</u>	<u>20,244</u>
Associated Companies	8	1,480
	<u>(58,205)</u>	<u>21,724</u>
(LOSS) / PROFIT AFTER TAXATION	<u>(198,214)</u>	<u>11,746</u>
OTHER COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD		
Fair value (loss) / gain on available-for-sale investment	<u>(2,576)</u>	<u>2,420</u>
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	<u>(200,790)</u>	<u>14,166</u>
ATTRIBUTABLE TO:		
- Equity holders of the parent	<u>(121,556)</u>	<u>5,201</u>
- Non-controlling interest	<u>(79,234)</u>	<u>8,965</u>
	<u>(200,790)</u>	<u>14,166</u>
	----- Rupees-----	
(LOSS) / EARNING PER SHARE	<u>(52.86)</u>	<u>3.13</u>

- The annexed notes form an integral part of these financial statements.
- Appropriations have been reflected in the statement of changes in equity.

CHIEF EXECUTIVE

DIRECTOR

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
CONSOLIDATED CASH FLOW STATEMENT - UNAUDITED
FOR THE 1ST QUARTER ENDED 31 DECEMBER, 2011

	<u>Oct. - Dec.</u> 2011	<u>Oct. - Dec.</u> 2010
	Rupees in thousand	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / Profit for the period - before taxation	<u>(256,419)</u>	33,470
Adjustments for non-cash charges and other items:		
Depreciation on property, plant and equipment	87,843	69,993
Depreciation on investment property	442	484
Amortisation of intangible assets	25	72
Loss / (Profit) from Associated Companies -net	553	(5,237)
Interest / profit on bank deposits / saving accounts and certificates	<u>(668)</u>	<u>(583)</u>
Staff retirement benefits - gratuity (net)	1,091	1,850
Loss on sale of vehicles	120	0
Gain on re-measurement of short term investments to fair value	<u>(6,034)</u>	<u>(15,988)</u>
Gain on redemption of short term investments	<u>(1,045)</u>	<u>0</u>
Dividend income	<u>(1,315)</u>	<u>(876)</u>
Finance cost	<u>105,290</u>	<u>35,507</u>
PROFIT BEFORE WORKING CAPITAL CHANGES	<u>(70,117)</u>	118,692
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets:		
Stores and spares	<u>(41,478)</u>	<u>(25,596)</u>
Stock-in-trade	1,477,632	(193,839)
Trade debts	<u>(636,177)</u>	<u>(140,117)</u>
Loans and advances	3,132	(7,954)
Trade deposits and short term prepayments	3,096	526
Other receivables	3,269	(429)
Increase / (decrease) in current liabilities:		
Trade and other payables	1,680,297	590,682
Sales tax and federal excise duty payable	<u>152,712</u>	<u>(6,107)</u>
	<u>2,642,483</u>	<u>217,166</u>
CASH GENERATED FROM / (USED IN) OPERATIONS	<u>2,572,366</u>	335,858
Income taxes paid	<u>(23,421)</u>	<u>(13,081)</u>
Security deposits	<u>(4,861)</u>	<u>(19)</u>
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	<u>2,544,084</u>	322,758
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	<u>(8,382)</u>	<u>(1,769)</u>
Sale proceeds of vehicles	153	0
Intangible assets acquired	0	(100)
Interest / profit on bank deposits / saving accounts and certificates received	354	676
Short term investments	<u>(563,019)</u>	<u>(375,215)</u>
Dividends received	1,315	876
NET CASH USED IN INVESTING ACTIVITIES	<u>(569,579)</u>	<u>(375,532)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Long term finances obtained / (repaid)	103,336	(66,667)
Lease finance - net	1,481	0
Short term finances - net	<u>(1,615,785)</u>	<u>244,521</u>
Finance cost paid	<u>(145,070)</u>	<u>(42,579)</u>
NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES	<u>(1,656,038)</u>	<u>135,275</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	318,467	82,501
CASH AND CASH EQUIVALENTS - At beginning of the period / year	153,669	126,277
DEPOSITS WITH A NON-BANK FINANCE INSTITUTION GROUPED UNDER CURRENT ASSETS DURING THE PERIOD / YEAR	0	15,600
	<u>153,669</u>	<u>141,877</u>
CASH AND CASH EQUIVALENTS - At end of the period / year	<u>472,136</u>	<u>224,378</u>

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

CHIEF EXECUTIVE

DIRECTOR

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE 1ST QUARTER ENDED 31 DECEMBER, 2011

	----- Attributable to equity holders of the Parent -----							Non-controlling interest	Total equity
	Share capital	Reserves			Sub-total	Unappropriated profit	Total		
		Share redemption	General	Fair value reserve on available-for-sale investments					
	----- Rupees in thousand -----								
Balance as at 30 September, 2010	37,500	1	1,008,567	8,032	1,016,600	230,500	1,284,600	244,853	1,529,453
Total comprehensive income for the year ended 30 September, 2011 (Loss) / profit after taxation	0	0	0	0	0	(138,710)	(138,710)	69,076	(69,634)
Other comprehensive (loss) / income	0	0	0	(1,338)	(1,338)	45	(1,293)	(284)	(1,577)
	0	0	0	(1,338)	(1,338)	(138,665)	(140,003)	68,792	(71,211)
Transactions with owners:									
Final cash dividend for the year ended 30 September, 2010 at the rate of Re.1 per share	0	0	0	0	0	(3,750)	(3,750)	(14,355)	(18,105)
Indirect share of Parent Company in dividend paid by CSM to Azlak Enterprises (Pvt.) Ltd.	0	0	0	0	0	(586)	(586)	0	(586)
Effect of items directly credited in equity by Associated Companies	0	0	0	0	0	224	224	0	224
Adjustment due to further acquisition in FSM	0	0	1,970	146	2,116	(4,155)	(2,039)	(2,116)	(4,155)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the year -net of deferred taxation	0	0	0	0	0	55,147	55,147	21,750	76,897
Balance as at 30 September, 2011	37,500	1	1,010,537	6,840	1,017,378	138,715	1,193,593	318,924	1,512,517
Total comprehensive income for the period ended 31 December, 2011 Loss after taxation	0	0	0	0	0	(119,432)	(119,432)	(78,783)	(198,215)
Other comprehensive loss income	0	0	0	(2,126)	(2,126)	9	(2,117)	(451)	(2,568)
	0	0	0	(2,126)	(2,126)	(119,423)	(121,549)	(79,234)	(200,783)
Effect of items directly credited in equity by Associated Companies	0	0	0	0	0	103	103	0	103
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the period -net of deferred taxation	0	0	0	0	0	19,981	19,981	11,890	31,871
Balance as at 31 December, 2011	37,500	1	1,010,537	4,714	1,015,252	39,376	1,092,128	251,580	1,343,708

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

CHIEF EXECUTIVE

DIRECTOR

THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - (UNAUDITED)
FOR THE 1ST QUARTER ENDED 31 DECEMBER, 2011

1. THE GROUP AND ITS OPERATIONS

1.1 The Premier Sugar Mills & Distillery Company Ltd. (the Parent Company)

The Parent Company was incorporated on 24 July, 1944 as a Public Company and its shares are quoted on Islamabad and Karachi Stock Exchanges. The Parent Company is principally engaged in manufacture and sale of white sugar and spirit. The Parent Company's Mills and Registered Office are located at Mardan (Khyber Pakhtunkhwa) whereas the Head Office is situated at King's Arcade, 20-A, Markaz F-7, Islamabad.

1.2 Subsidiary Companies

(a) Chashma Sugar Mills Ltd. (CSM)

(i)

CSM was incorporated on 05 May, 1988 as a Public Company and it commenced commercial production from 01 October, 1992. CSM is principally engaged in manufacture and sale of white sugar. Its shares are quoted on all the Stock Exchanges of Pakistan. The Head Office of CSM is situated at King's Arcade, 20-A, Markaz F-7, Islamabad and the Mills are located at Dera Ismail Khan.

(ii)

The Parent Company directly and indirectly controls / beneficially owns more than fifty percent of the CSM's paid-up capital and also has the power to elect and appoint more than fifty percent of its directors; accordingly, CSM has been treated a Subsidiary with effect from the preceding financial year.

(b) The Frontier Sugar Mills and Distillery Ltd. (FSM)

(i)

FSM was incorporated on 31 March, 1938 as a Public Company and its shares were quoted on all the Stock Exchanges of Pakistan; FSM, as at 30 September, 2010, was complying with the relevant requirements for delisting from the Stock Exchanges as detailed in note (iii). The principal activity of FSM is manufacturing and sale of white sugar and its Mills and Registered Office are located at Takht-i-Bhai, Mardan (Khyber Pakhtunkhwa).

(ii)

FSM had been suffering losses over the years and during the current period and prior years had not carried-out manufacturing operations due to non-availability of raw materials.

(iii)

The Parent Company, the majority shareholder of FSM, had decided to purchase all the ordinary and preference shares of FSM held by Others. The shareholders of FSM passed a special resolution for de-listing from the Stock Exchanges at the annual general meeting held on 30 January, 2010. The shareholders also passed a special resolution for purchase of 263,134 ordinary shares at a price of Rs.190.20 per share and 26,970 preference shares at a price of Rs.18.60 per share by the Parent Company in the extra ordinary general meeting held on 10 June, 2010.

The purchase agent of the Parent Company (Invest Capital Investment Bank Ltd.) has completed the buying of 36,209 ordinary shares and 150 preference shares within the initial period of 60 days and after the submission of an undertaking to the Stock Exchanges to purchase the remaining shares upto 26 August, 2011, FSM has been de-listed from all the Stock Exchanges with effect from 25 October, 2010.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with the requirements of Section 237 and 245 of the Companies Ordinance, 1984.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these financial information are the same as those applied in preparation of the preceding published annual consolidated financial statements of the Company for the year ended 30 September, 2011.

4. OPERATING SEGMENTS

These consolidated financial statements have been prepared on the basis of single reportable segment.

5. DATE OF AUTHORIZATION FOR ISSUE

These consolidated financial statements were authorised for issue on 27 January, 2012 by the Board of Directors of the Parent Company.

6. CORRESPONDING FIGURES

Figures in the financial statements have been rounded-off to the nearest Thousand Rupees except stated otherwise and corresponding figures have been re-arranged wherever necessary.

CHIEF EXECUTIVE

DIRECTOR