



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

**QUARTERLY FINANCIAL STATEMENTS**  
**(UN-AUDITED)**  
AS ON 31 DECEMBER, 2013

**THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED**

**COMPANY INFORMATION**

**Board of Directors**

Mr. Aziz Sarfaraz Khan  
Chairman  
Mr. Abbas Sarfaraz Khan  
Chief Executive  
Begum Laila Sarfaraz  
Ms. Zarmine Sarfaraz  
Ms. Najda Sarafaraz  
Ms. Mehnaz Saigol  
Mr. Iskander M. Khan  
Mr. Baber Ali Khan  
Mr. Abdul Qadar Khattak

**Company Secretary**

Mr. Mujahid Bashir

**Chief Financial Officer**

Mr. Rizwan Ullah Khan

**Auditors**

M/s. Hameed Chaudhri & Co., Chartered Accountants

**Cost Auditors**

M/s. Munawar Associates Chartered Accountants

**Tax Consultants**

M/s. Hameed Chaudhri & Co., Chartered Accountants

**Legal Advisor**

Qazi Muhammad Anwar Advocate

**Share Registrar**

Hameed Majeed Associates (Pvt) Limited, Lahore

**Bankers**

Bank Al-Habib Limited  
The Bank of Khyber  
MCB Bank Limited  
United Bank Limited  
Allied Bank Limited  
The Bank of Punjab  
Bank Al-Falah Limited  
Habib Bank Limited  
National Bank of Pakistan  
Innovative Investment Bank Limited

**THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED**

**DIRECTORS' REVIEW REPORT**

**BRIEF REVIEW**

The Directors of The Premier Sugar Mills & Distillery Company Limited are pleased to present the 1st quarterly financial statements for the period ended 31 December, 2013 to the shareholders of the Company in compliance with the Section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Stock Exchanges in Pakistan.

**OPERATIONAL PERFORMANCE**

The sugarcane crushing season commenced on 01 November, 2013, we crushed 67,676 tons up to 22 January, 2014 of sugarcane and have produced 5,525 tons of sugar.

**DISTILLERY**

160,514 Gallons of Industrial Alcohol was produced up to 22 January, 2014.

**CONSOLIDATED FINANCIAL RESULTS**

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

**SUGAR PRICES**

The sugar prices remained depressed, the GOP allowed to export 500,000 tons of surplus production, however the export rates are low as compared to higher cost of production.

**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.

**ON BEHALF OF THE BOARD**



**(ABBAS SARFARAZ KHAN)**  
CHIEF EXECUTIVE

Mardan:  
28 January, 2014

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

	<u>Unaudited</u> Dec.31, 2013	<u>Audited</u> Sep.30 2013
Note	(Rupees in thousand)	
<b>EQUITY AND LIABILITIES</b>		
<b>CAPITAL AND RESERVE</b>		
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>(168,896)</u>	<u>(162,629)</u>
	768,605	774,872
<b>SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT</b>		
	327,686	334,201
<b>NON-CURRENT LIABILITIES</b>		
Liabilities against assets subject to finance lease	1,869	697
Staff retirement benefits - gratuity	10,188	9,706
	12,057	10,403
<b>CURRENT LIABILITIES</b>		
Trade and other payables	240,624	162,411
Accrued mark-up on short term borrowings	10,128	13,798
Short term borrowings	403,000	523,489
Current portion of liabilities against assets subject to finance lease	536	200
Taxation	21,193	17,527
	675,481	717,425
<b>CONTINGENCIES AND COMMITMENTS</b>		
	4	
	<u>1,783,829</u>	<u>1,836,901</u>

**DISTILLERY COMPANY LIMITED  
31 DECEMBER, 2013 (UN-AUDITED)**

	<u>Unaudited</u> Dec.31, 2013	<u>Audited</u> Sep.30 2013
Note	(Rupees in thousand)	
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	5 690,804	691,632
Investment Property	6 33,517	33,889
Investments	7 170,006	170,006
Long term loan to subsidiary Company	279,500	279,500
Security deposits	910	570
	<u>1,174,737</u>	<u>1,175,597</u>
<b>CURRENT ASSETS</b>		
Stores and spares	134,800	132,195
Stock-in-trade	245,192	359,577
Trade debts	46,775	3,843
Loans and advances	35,035	16,990
Trade deposits and short term prepayments	1,635	1,703
Accrued profit on bank deposits and loan to subsidiary company	8,171	48
Other receivables	5,295	11,094
Sales tax refundable	1,312	0
Income tax refundable, advance income tax and tax deducted at source	48,266	43,792
Bank balances	8 82,611	92,062
	609,092	661,304
	<u>1,783,829</u>	<u>1,836,901</u>

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

  
CHIEF EXECUTIVE

  
DIRECTOR

**THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED**  
**PROFIT AND LOSS ACCOUNT - (UNAUDITED)**  
**FOR THE 1ST QUARTER ENDED 31 DECEMBER, 2013**

	1 Oct, 13 to 31 Dec, 2013	1 Oct, 12 to 31 Dec, 2012
	<b>(Rupees in thousand)</b>	
TURNOVER - Local	210,980	780,661
- Export	218,166	6,438
	429,146	787,099
Less: Sales Tax	16,311	57,984
SALES - net	412,835	729,115
COST OF SALES	411,483	664,808
GROSS PROFIT	1,352	64,307
ADMINISTRATIVE EXPENSES	12,872	20,996
DISTRIBUTION COST	5,948	2,015
	18,820	23,011
OPERATING (LOSS) / PROFIT	(17,468)	41,296
OTHER OPERATING INCOME	19,208	23,322
	1,740	64,618
OTHER OPERATING EXPENSES	0	2,133
FINANCE COST	10,855	21,962
	10,855	24,095
(LOSS) / PROFIT BEFORE TAXATION	(9,115)	40,523
PROVISION FOR TAXATION		
- Current	3,666	7,296
- Deferred	0	8,728
	3,666	16,024
(LOSS) / PROFIT AFTER TAXATION	(12,781)	24,499
OTHER COMPREHENSIVE INCOME	0	0
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(12,781)	24,499
	----- Rupees -----	
(LOSS) / EARNINGS PER SHARE	(3.41)	6.53

- 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, 2013**

	31-Dec., 2013	31-Dec., 2012
	<b>(Rupees in thousand)</b>	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / Profit for the period - before taxation	(9,115)	40,523
Adjustments for:		
Depreciation on property, plant and equipment	13,214	14,690
Depreciation on investment property	372	410
Mark-up on loan to Subsidiary company and profit / mark-up on bank deposits	(8,403)	(9,145)
Staff retirement benefits-gratuity (Net)	482	(5,063)
Gain on remeasurement of short term investments to fair value	0	(804)
Finance cost	10,128	21,962
Profit before working capital changes	6,678	62,573
EFFECT ON CASH FLOWS DUE TO WORKING CAPITAL CHANGES		
(Increase) / decrease in current assets:		
Stores and spares	(2,605)	(61,342)
Stock-in-trade	114,385	225,174
Trade debtors	(42,932)	24,905
Loans and advances	(18,046)	6,434
Trade Deposits and short term prepayments	68	1,647
Other receivables	5,799	6,041
Sales tax - net	(1,312)	33,259
Short term investments	0	66,553
Increase in trade and other payables	78,213	52,398
	133,570	355,069
CASH GENERATED FROM OPERATIONS	140,248	417,642
Income Tax paid	(4,474)	(1,486)
Security deposits	(340)	(95)
NET CASH GENERATED FROM OPERATING ACTIVITIES	135,434	416,061
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(12,386)	(49,355)
Additions to investment property	0	(215)
Mark-up / profit received on loan to Subsidiary company and bank deposits	280	2,053
NET CASH USED IN INVESTING ACTIVITIES	(12,106)	(47,517)
CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowings-net	(120,489)	(285,754)
Finance cost paid	(13,798)	(32,662)
Lease finances - net	1,508	0
NET CASH USED IN FINANCING ACTIVITIES	(132,779)	(318,416)
	395,928	395,928
NET INCREASE IN CASH AND CASH EQUIVALENTS	(9,451)	50,128
CASH AND CASH EQUIVALENTS - At the beginning of the period	92,062	83,000
CASH AND CASH EQUIVALENTS - At the end of the period	82,611	133,128

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, 2013**

	Share capital	Reserves			Accumulated Loss	TOTAL
		Capital Share redemption	Revenue General	Sub-total		
----- Rupees in thousand -----						
Balance as at 30 September, 2012	37,500	1	900,000	900,001	(150,672)	786,829
<b>Total comprehensive loss for the year</b>	0	0	0	0	(40,328)	(40,328)
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	28,371	28,371
<b>Balance as at 30 September, 2013</b>	<b>37,500</b>	<b>1</b>	<b>900,000</b>	<b>900,001</b>	<b>(162,629)</b>	<b>774,872</b>
<b>Total comprehensive loss for the period</b>	0	0	0	0	(12,781)	(12,781)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for current period -net of deferred taxation	0	0	0	0	6,514	6,514
<b>Balance as at 31 December, 2013</b>	<b>37,500</b>	<b>1</b>	<b>900,000</b>	<b>900,001</b>	<b>(168,896)</b>	<b>768,605</b>

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, 2013**

**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, 2013.

**3. TAXATION**

- 3.1** Provision for current taxation mainly represents minimum tax u/s 113 of the Income Tax Ordinance, 2001.
- 3.2** 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, 2013 was for Rs. 75.040 million (30 September, 2013: 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, 2013 and 30 September, 2013.

	<b>Un-audited 31 Dec., 2013</b>	<b>Audited 30 Sep., 2013</b>
<b>5. PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>(Rupees in thousand)</b>	
Opening book value	<b>573,857</b>	619,135
Additions during the period / year	<b>1,830</b>	12,972
- Disposals	<b>0</b>	(30)
Depreciation charge for the period / year	<b>(13,214)</b>	(58,220)
Capital work-in-progress	<b>128,331</b>	117,775
Closing book value	<b>690,804</b>	691,632



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

**CONSOLIDATED CONDENSED INTERIM  
FINANCIAL STATEMENTS  
FOR THE 1ST QUARTER ENDED  
31 DECEMBER, 2013**

	Un-audited 31 Dec., 2013	Audited 30 Sep., 2013
<b>6. INVESTMENT PROPERTY</b>		
Opening book value	33,889	35,298
Additions during the period / year	0	215
Depreciation charge for the period / year	(372)	(1,624)
Closing book value	33,517	33,889

**7. INVESTMENTS**

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

**8. BANK BALANCES**

The status of the matter, as detailed in note 18.5 to the Company's published financial statements for the year-ended 30 September, 2013, has remained unchanged during the current period.

**9. DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue on 28 January, 2014 by the Board of Directors of the Company.

**10. 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).

**11. 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 COMPANY LIMITED**  
**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER, 2013 (UN-AUDITED)**

	<u>Unaudited</u> Dec 31 2013	<u>Audited</u> Sep 30 2013
<b>Assets</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	5,945,122	5,801,657
Investment property	33,517	33,889
Long term investments	82,679	72,676
Security deposits	5,006	4,666
	<b>6,066,324</b>	<b>5,912,888</b>
<b>Current Assets</b>		
Stores and spares	843,311	625,935
Stock-in-trade	1,904,509	1,678,245
Trade debts	379,355	323,360
Loans and advances	460,835	171,538
Trade deposits, short term prepayments and other receivables	95,814	101,408
Accrued profit / mark-up on bank deposits	1,300	1,021
Income tax refundable, advance income tax and tax deducted at source	158,069	126,050
Sales tax refundable - net	115,417	25,261
Short term investments	29,607	31,025
Bank balances	147,151	159,548
	<b>4,135,368</b>	<b>3,243,391</b>
<b>TOTAL ASSETS</b>	<b>10,201,692</b>	<b>9,156,279</b>
<b>Equity and Liabilities</b>		
<b>Share Capital and Reserves</b>		
Authorised capital 5,750,000 (2012: 5,750,000) ordinary shares of Rs.10 each	57,500	57,500
Issued, subscribed and paid-up capital	37,500	37,500
Reserves	1,029,111	1,021,438
Accumulated loss	(24,999)	(24,372)
<b>Equity Attributable to Equity Holders of the Parent Company</b>	<b>1,041,612</b>	<b>1,034,566</b>
<b>Non-Controlling Interest</b>	<b>308,045</b>	<b>300,150</b>
	1,349,657	1,334,716
<b>Surplus on Revaluation of Property, Plant and Equipment</b>	<b>2,357,388</b>	<b>2,408,551</b>
<b>Non-current Liabilities</b>		
Long term finances	1,578,931	911,845
Loans from Associated Companies	157,500	157,500
Liabilities against assets subject to finance lease	22,422	9,667
Deferred taxation	890,297	913,125
Staff retirement benefits - gratuity	13,517	12,980
	<b>2,662,667</b>	<b>2,005,117</b>
<b>Current Liabilities</b>		
Trade and other payables	2,386,051	434,610
Accrued mark-up	83,124	134,034
Short term borrowings	1,042,900	2,522,957
Current portion of non-current liabilities	207,770	225,775
Dividends payable to non-controlling interest	3,848	3,848
Taxation	108,287	86,671
	<b>3,831,980</b>	<b>3,407,895</b>
<b>TOTAL LIABILITIES</b>	<b>6,494,647</b>	<b>5,413,012</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>10,201,692</b>	<b>9,156,279</b>
<b>Contingencies and Commitments</b>		

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

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

**THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT (UNAUDITED)**  
**FOR THE 1ST QUARTER ENDED 31 DECEMBER, 2013**

	<u>Oct - Dec</u> 2013	<u>Oct - Dec</u> 2012
<b>(Rupees in thousand)</b>		
<b>Sales - Net</b>	<b>2,267,685</b>	1,676,574
<b>Cost of Sales</b>	<b>2,193,363</b>	1,439,134
<b>Gross Profit</b>	<b>74,322</b>	237,440
<b>Distribution Cost</b>	<b>25,242</b>	13,751
<b>Administrative Expenses</b>	<b>58,594</b>	63,836
<b>Other Operating Expenses</b>	<b>18</b>	8,552
	<b>83,854</b>	86,139
	<b>(9,532)</b>	151,301
<b>Other Income</b>	<b>19,749</b>	22,605
<b>Profit / (Loss) from Operations</b>	<b>10,217</b>	173,906
<b>Finance Cost</b>	<b>57,573</b>	89,738
	<b>(47,356)</b>	84,168
<b>Share of Profit from Associated Companies</b>	<b>135</b>	4,534
<b>(Loss) / Profit before Taxation</b>	<b>(47,221)</b>	88,702
<b>Taxation</b>		
Group		
- Current	21,697	13,877
- Prior years'	-	-
- Deferred	(22,828)	(2,721)
	(1,131)	11,156
Associated Companies	3	1,637
	<b>(1,128)</b>	12,793
<b>(Loss) / Profit after Taxation</b>	<b>(46,093)</b>	75,909
<b>Other Comprehensive Income / (Loss) for the year</b>		
Fair value (loss) / gain on available-for-sale investments	9,301	(630)
Share of other comprehensive income from Associated Companies	3	(1)
<b>Total Comprehensive (Loss) / Income for the year</b>	<b>(36,789)</b>	75,278
<b>Attributable to:</b>		
- Equity holders of the Parent Company	<b>(22,454)</b>	50,652
- Non-controlling interest	<b>(14,335)</b>	24,626
	<b>(36,789)</b>	75,278
<b>----- Rupees-----</b>		
<b>Combined (Loss) / Profit per Share</b>	<b>(8.47)</b>	13.65

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

  
**CHIEF EXECUTIVE**


  
**DIRECTOR**

**THE PREMIER SUGAR MILLS & DISTILLERY COMPANY LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT - UNAUDITED**  
**FOR THE 1ST QUARTER ENDED 31 DECEMBER, 2013**

	<b>Oct - Dec 2013</b>	<b>Oct - Dec 2012</b>
<b>Cash flow from operating activities</b>	<b>(47,221)</b>	<b>88,702</b>
(Loss) / Profit for the year - before taxation		
Adjustments for non-cash charges and other items:		
Depreciation on property, plant and equipment	111,176	80,476
Depreciation on investment property	372	410
Amortisation of intangible assets	-	25
Profit from Associated Companies - net	(135)	(4,534)
Interest / profit on bank deposits and saving accounts	(542)	(780)
Staff retirement benefits - gratuity (net)	537	(5,008)
Gain on disposal of operating fixed assets	(83)	(183)
Gain on re-measurement of short term investments to fair value	(448)	(4,249)
Gain on sale of investment in shares	(133)	(1,828)
Dividend income	(811)	(1,339)
Finance cost	57,573	89,738
<b>Profit before working capital changes</b>	<b>120,285</b>	<b>241,430</b>
<b>Effect on cash flow due to working capital changes</b>		
<b>(Increase) / decrease in current assets</b>		
Stores and spares	(217,376)	(47,854)
Stock-in-trade	(226,264)	(599,277)
Trade debts	(55,995)	220,166
Loans and advances	(289,297)	(1,065)
Trade deposits, short term prepayments and other receivables	5,594	9,196
Sales tax refundable / payable - net	(90,156)	28,125
<b>(Decrease) / increase in trade and other payables</b>	<b>1,951,441</b>	<b>861,054</b>
	<b>1,077,947</b>	<b>470,345</b>
<b>Cash generated from operations</b>	<b>1,198,232</b>	<b>711,775</b>
Income tax paid	(32,100)	(6,643)
Security deposits	(340)	(95)
<b>Net cash generated from operating activities</b>	<b>1,165,792</b>	<b>705,037</b>
<b>Cash flow from investing activities</b>		
Additions to property, plant and equipment	(254,910)	(161,695)
Additions to investment property	-	(215)
Sale proceeds of operating fixed assets	352	185
Interest / profit on bank deposits and saving accounts	263	594
Short term investments - net	1,999	67,926
Dividend received	811	1,339
<b>Net cash used in investing activities</b>	<b>(251,485)</b>	<b>(91,866)</b>
<b>Cash flow from financing activities</b>		
Long term finances - net	649,081	(69,873)
Lease finances - net	12,755	(900)
Short term borrowings - net	(1,480,057)	(378,487)
Finance cost paid	(108,483)	(132,662)
Dividends paid	-	(5)
<b>Net cash used in financing activities</b>	<b>(926,704)</b>	<b>(581,927)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(12,397)</b>	<b>31,244</b>
<b>Cash and cash equivalents - at beginning of the year</b>	<b>159,548</b>	<b>192,128</b>
<b>Cash and cash equivalents - at end of the year</b>	<b>147,151</b>	<b>223,372</b>

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, 2013**

	----- Attributable to equity holders of the Parent -----						Non-controlling interest	Total equity	
	Reserves					Total			
	Share capital	Share redemption	General	Fair value reserve on available-for-sale investments	Sub-total				Unappropriated profit / (accumulated loss)
	----- Rupees in thousand -----								
Balance as at September 30, 2012	37,500	1	1,010,537	11,753	1,022,291	(67,444)	992,347	242,360	1,234,707
<b>Total comprehensive income / (loss) for the year ended September 30, 2013</b>									
(Loss) / profit after taxation	-	-	-	-	-	(30,502)	(30,502)	14,514	(15,988)
Other comprehensive (loss) / income	-	-	-	(853)	(853)	611	(242)	(181)	(423)
Effect of items directly credited in equity by Associated Companies	-	-	-	-	-	245	245	-	245
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the year -net of deferred taxation	-	-	-	-	-	72,718	72,718	43,457	116,175
Balance as at September 30, 2013	37,500	1	1,010,537	10,900	1,021,438	(24,372)	1,034,566	300,150	1,334,716
<b>Total comprehensive income / (loss) for the period ended December 31, 2013</b>									
(Loss) / profit after taxation	-	-	-	-	-	(30,129)	(30,129)	(15,964)	(46,093)
Other comprehensive (loss) / income	-	-	-	7,673	7,673	3	7,676	1,629	9,305
Effect of items directly credited in equity by Associated Companies	-	-	-	7,673	7,673	(30,126)	(22,453)	(14,335)	(36,788)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the year -net of deferred taxation	-	-	-	-	-	28,932	28,932	22,229	51,161
Balance as at December 31, 2013	37,500	1	1,010,537	18,573	1,029,111	(24,999)	1,041,612	308,045	1,349,657

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)

#### 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.

###### (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) De-listing of FSM

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. The purchase agent during, the financial year ended 30 September, 2011, had further purchased 19,884 ordinary shares and 20,014 preference shares.

2. This condensed interim financial information has been presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and is being submitted to the shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984. This condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the audited annual consolidated financial statements of the Company as at and for the year ended 30 September, 2013.

3. The accounting policies and methods of computation adopted for the preparation of this condensed interim consolidated financial information are the same as those applied in the preparation of audited annual consolidated financial statements of the Company for the preceding year ended 30 September, 2013.

4. Amendments to certain existing standards and new interpretation on approved accounting standards effective during the current period were not relevant to the Group's operations and did not have any impact on the accounting policies of the Group.

#### 5. TAXATION

Provision for the current period represents tax payable under sections 5 (Tax on Dividends), 113 (Minimum Tax on Income) and 154 (Exports) of the Income Tax Ordinance, 2001.

#### 6. DATE OF AUTHORIZATION FOR ISSUE

These consolidated financial statements were authorised for issue on January 28, 2014 by the Board of Directors of the Parent Company.

#### 7. 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