



# Husein Sugar Mills Limited

HEAD OFFICE: 30 A/E-1, Old FCC, Gulberg III, Lahore. Ph:0092-42-35762089-90, 35878153  
Fax: 0092-42-35712680 Website: www.huseinsugarmills.com, E-mail: info@huseinsugarmills.com

HSM/SEs-1/2014-15  
December 31, 2014  
The General Manager,  
Karachi Stock Exchange Limited,  
Stock Exchange Building,  
Stock Exchange Road,  
KARACHI.

The General Manager,  
Lahore Stock Exchange Limited,  
19-Khayaban-e-Aiwan-e-Iqbal,  
LAHORE.

## FINANCIAL RESULTS FOR THE YEAR ENDED SEPTEMBER 30, 2014

Dear Sir,

We are pleased to inform you that Board of Directors of our Company in its meeting held on December 31, 2014 at 11:00 a.m. held at the Head Office of the Company at 30-A E/1, Old F.C.C. Gulberg-III Lahore, has recommended the following:

- |                          |     |
|--------------------------|-----|
| i. <u>CASH DIVIDEND:</u> | NIL |
| ii. <u>BONUS ISSUE:</u>  | NIL |
| iii. <u>RIGHT ISSUE:</u> | NIL |

The financial results of the Company are for the year ended September 30, 2014 are annexed herewith.

The Annual General Meeting of the Company will be held on **January 30, 2015 (Friday)** at **11:00 am** at its registered office, located at **30-A/E-I, Old FCC, Gulberg-III, Lahore.**

The share transfer books of the Company will be closed **from January 24, 2015 to January 30, 2015** (both days inclusive). Transfers received at the Company's Share Registrar, Hameed Majeed Associates (Private) Limited, H.M. House, 7 Bank Square, Lahore, by close of the business on January 23, 2014, will be treated in time.

We shall be sending you **200** copies of the printed accounts for distribution amongst the members of the Exchange, 21 days before the date of annual general meeting.

Thanking you.

Sincerely yours,  
For Husein Sugar Mills Limited

CHIEF EXECUTIVE





**HUSEIN SUGAR MILLS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2014**

	2014 Rupees	2013 Rupees
Sales	2,694,800,903	2,234,951,394
Cost of sales	2,749,750,765	2,210,826,627
Gross (loss)/ profit	(54,949,862)	24,124,767
Distribution cost	(9,198,868)	(10,310,796)
Administrative expenses	(133,000,020)	(130,205,493)
Other expenses	(5,082,334)	-
	(147,281,222)	(140,516,289)
	(202,231,084)	(116,391,522)
Other income	4,801,441	20,548,697
Loss from operations	((197,429,643)	(95,842,825)
Finance cost	(90,543,802)	(121,178,197)
Loss before taxation	(287,973,445)	(217,021,022)
Taxation	(6,672,040)	26,216,167
Loss after taxation	(294,645,485)	(190,804,855)
Other comprehensive (loss) / income	(3,484,005)	15,299,755
Total comprehensive loss for the year	<b>(298,129,490)</b>	<b>(175,505,100)</b>
Loss per share – Basic and diluted	<b>(17.33)</b>	<b>(11.22)</b>



## AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **HUSEIN SUGAR MILLS LIMITED** as at 30 September 2014 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) in our opinion, proper books of account have been kept by the company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
  - i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
  - ii) the expenditure incurred during the year was for the purpose of the company's business; and
  - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;

- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the company's affairs as at 30 September 2014 and of the loss, its comprehensive loss, its cash flows and changes in equity for the year then ended; and
- (d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

✓ We draw attention to note 1.2 to the financial statements, which indicates that the company has incurred net loss of Rupees 294.645 million during the year ended 30 September 2014. Equity of the company stands at a negative balance of Rupees 220.734 million due to accumulated losses of Rupees 594.722 as on 30 September 2014. At the balance sheet date, the company's current liabilities exceeded its current assets by Rupees 845.834 million. These conditions, alongwith other matters as set forth in the note 1.2, indicate the existence of material uncertainty which may cast doubt about the company's ability to continue as a going concern. These financial statements do not include any adjustments relating to the realization of the company's assets and liquidation of any liabilities that may be necessary should the company be unable to continue as a going concern. Our opinion is not qualified in respect of this matter.

RIAZ AHMAD & COMPANY  
Chartered Accountants

Name of engagement partner:  
Syed Mustafa Ali

Date: 31-12-2014

LAHORE