



SML/ KCHI / Stock / September 2010
January 6, 2011

The General Manager,
The Karachi Stock Exchange (Guarantee) Limited,
Karachi Stock Exchange Building,
Stock Exchange Road
Off: I.I. Chundrigar Road,
Karachi.

Shakarganj Mills Limited

Management House
Toba Tek Singh Road Jhang, Pakistan
Tel : 047 765 2801- 5
Fax : 047 765 2811
E-mail : info@shakarganj.com.pk
Website: www.shakarganj.com.pk

Dear Sirs,

SUBJECT: SHAKARGANJ MILLS LIMITED - FINANCIAL RESULTS FOR THE YEAR ENDED SEPTEMBER 30, 2010

We are pleased to inform you that the Board of Directors of Shakarganj Mills Limited in their meeting held on January 6, 2011 at Faisalabad have considered and approved the financial results of Shakarganj Mills Limited for the year ended September 30, 2010 and the Board of Directors recommended the following:

- (i) CASH DIVIDEND
Nil
- (ii) BONUS SHARES
Nil
- (iii) RIGHT SHARES
Nil
- (iv) ANY OTHER ENTITLEMENT/CORPORATE ACTION
Nil
- (v) ANY OTHER PRICE-SENSITIVE INFORMATION
Nil

The financial results of the Company are attached herewith.

Without qualifying their opinion, the auditors have given the following note in their report to the members:

"Without qualifying our opinion, we draw attention to note 1.2 to the financial statements which indicates the company could not meet its obligations in respect of principal and markup repayments on borrowings from financial institutions. The company has incurred net loss of Rs. 879.727 million during the year, its current liabilities have exceeded its current assets by Rs. 3,246 million and the equity has been fully eroded.

These conditions along with other matters as set forth in 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 realisation 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."



KARACHI OFFICE
12th Floor, Sidco Avenue Centre
264, R.A. Lines,
Karachi, Pakistan
Tel: 021 3567 4881- 5
Fax: 021 3568 0476

HEAD OFFICE
10th Floor, BOP Tower
Main Boulevard, Gulberg-III
Lahore, Pakistan.
Tel: 042 3578 3801- 4
Fax: 042 3578 3811