

DIRECTOR’S REVIEW
FOR THE HALF YEAR ENDED MARCH 31, 2009

The directors of your Company take this opportunity in presenting the reviewed accounts for the half year ended March 31, 2009.

FANANCIAL RESULTS

The financial results of the company for the under review are summarized as follows:

	For the half year ended March 31,	
	2009	2008
Net Sales	250,997	597,427
Gross Profit/(Loss)	1,101	(37,603)
Net Profit /(Loss) before tax	(58,429)	(98,330)
Net Profit / (Loss) after tax	(53,441)	(98,093)
Basic Earing / (Loss) per share (Rs.)	(1.65)	(3.03)

During the period under review, we have achieved slightly better financial results over the corresponding period of the last year due to sale of low – priced closing stock at competitive market price this year as well as efficiently curbing the cost of goods sold which resulted in better Gross Profit as compared with Gross Loss earned during the corresponding period of the last year.

OPERATIONAL DATA

The crushing season started on November 27, 2008. Operating results for the period under review are as under:

		November 27, 2008 To March 05, 2009	November 23, 2007 To April 05, 2008
Crushing days	Days	98	135
Average recovery	%age	7.60	7.95
Cane crushed	M.T	162,503	485,275
Avg. Cane crushed (per day)	M.T	1,658	3,595
Sugar produced	M.T	12,270	38,529

During this season, we had faced severe shortage of sugarcane due to its less cultivation in the area where our mills are located. Moreover, some technical problems arose during season. The plant, therefore, faced various shut downs due to low cane & technical problems. Due to these reasons, we were forced to close down our mills well before as compared to the corresponding crushing season of the last year. Therefore, cane crushed & sugar produced have decreased significantly by 67% and 68% respectively over the corresponding period of the last year. Further, Average Sucrose recovery has also decreased due to cultivation of low quality crop.

FUTURE OUTLOOK

Management of your Company is anticipating a tough & challenging upcoming season as sugarcane growers have not cultivated adequate quantity of cane which will definitely create shortage of sugarcane in the country. However, on the other hand it will give rise to prices of the sugar through which your company may earn profit by selling out closing stock.

ACKNOWLEDGEMENT

The Board of directors deeply express their appreciation and pay their gratitude to sugarcane growers, valuable customers, shareholders, banks and Government departments for their continued supports, trust, persistent co-operation and patronage which gives strength to pursue our corporate objectives with renewed vigor. The Board also acknowledges the valuable teamwork, devotion and dedication by the executives, employees and workers of the Company.

On behalf of the Board

Lahore
May 30, 2009.

(MIAN WAQAS RIAZ)
Director