



MSM/32(2)/2013-14

May 15, 2014

The General Manager
Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

Subject: **Financial Results for the half year ended March 31, 2014**

Dear Sir,

The Board of Directors of our Company met today at 11.30 a.m. at the registered office of the Company and approved the financial statements of Half yearly ended March 31, 2014 and recommended the following

CASH DIVIDENDAn interim 2nd Cash Dividend for the year ending September 30, 2014 at **Re. 0.5** per share i.e. **5%**.**BONUS SHARES**An Interim Bonus in proportion of **10** shares for every 100 shares held i.e. **10%**.

The Financial Results of the Company are as follows.

	<u>Half Year Ended</u>		<u>Quarter Ended</u>	
	<u>Mar 2014</u>	<u>Mar 2013</u>	<u>Mar 2014</u>	<u>Mar 2013</u>
TURNOVER	3,799,496,203	2,916,963,752	1,811,324,460	1,353,687,513
Less: Sales Tax / F.E.D	(138,785,336)	(117,042,457)	(12,220,462)	(8,358,340)
TURNOVER - NET	3,660,710,867	2,799,921,295	1,799,103,998	1,345,329,173
COST OF SALES	(3,051,944,614)	(2,395,106,902)	(1,345,804,588)	(1,056,789,304)
GROSS PROFIT	608,766,253	404,814,393	453,299,410	288,539,869
Distribution costs	(61,946,239)	(45,163,574)	(55,458,194)	(40,761,449)
Administrative expenses	(81,108,410)	(72,781,135)	(44,263,352)	(41,509,412)
Other operating expense	(34,766,711)	(14,801,053)	(28,306,455)	(9,607,721)
Other operating income	28,603,743	43,974,299	16,246,091	23,910,224
	(149,217,617)	(88,771,463)	(111,781,910)	(67,968,358)
OPERATING PROFIT	459,548,636	316,042,930	341,517,500	220,571,511
Finance costs	(94,398,375)	(93,672,092)	(70,790,300)	(73,605,408)
Share of profit from associate	48,994,338	88,943,600	38,285,911	33,786,610
PROFIT BEFORE TAXATION	414,144,599	311,314,438	309,013,111	180,752,713
Taxation - Current	(67,736,493)	(9,648,580)	(58,359,774)	(8,970,675)
Taxation - Deferred	(42,554,344)	(33,080,023)	(20,643,848)	1,307,951
	(110,290,837)	(42,728,603)	(79,003,622)	(7,662,724)
PROFIT AFTER TAXATION	303,853,762	268,585,835	230,009,489	173,089,989
		<u>Restated</u>		<u>Restated</u>
EARNINGS PER SHARE	10.43	9.22	7.90	5.94



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Share transfer books shall remain closed from June 02, 2014 to June 08, 2014 (both days inclusive).

We will be sending you 200 copies of printed financial Statement for distribution amongst the members of the Exchange.

Yours Sincerely

A handwritten signature in blue ink, appearing to read 'Muhammad Hanif Aziz'.

Muhammad Hanif Aziz
Company Secretary





May 15, 2014



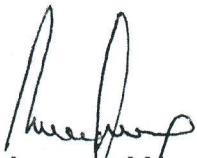

**MEHRAN
SUGAR
MILLS
LIMITED**

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
Progressive Plaza
Beaumont Road
Karachi.

Dear Sir (s),

Following is the working of free reserves, you are requested to issue Certificate of Free Reserve accordingly to issue Bonus Shares as required under Rule 6 (iii) of Companies (Issue of Capital) Rules 1996.

Share Capital	A	291,193,140
Proposed Bonus Share issued @ 10 %	B	29,119,314
Enhanced Capital	C=A+B	<u>320,312,454</u>
25% of Enhanced Capital	D=C*25%	<u>80,078,114</u>
Capital Reserve		63,281,250
Revenue Reserve		85,000,000
Accumulated Profit		1,190,760,132
	E	<u>1,339,041,382</u>
Less: Proposed Bonus Issue	F	29,119,314
Less: Proposed Cash Dividend @ 5%	G	14,559,657
Less: Contingencies	H	65,847,000
Free Reserve	I=E-F-G-H	<u>1,229,515,411</u>



Muhammad Hanif Aziz
Chief Financial Officer



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