### CASH FLOW STATEMENT
FOR THE THIRD QUARTER ENDED JUNE 30, 2014
(UNAUDITED)

<table>
<thead>
<tr>
<th>Description</th>
<th>June 30, 2014</th>
<th>June 30, 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss before taxation</td>
<td>(531,967)</td>
<td>(211,361)</td>
</tr>
</tbody>
</table>
| Adjustment for
discontinuance | 1,200,216      | 1,527,326     |
| Impairment loss on factory building| 12,654         | 14,083        |
| Finance cost                       | 4,503,578      | 6,488,583     |
| Provision for
garanty                        | 90,775         | 92,710        |
| Gain on amortization of investments/loans| (7,587,721)| (7,531,099)  |
| (Gain on disposal of property, plant & equipment) | (5,706,605)| (5,357,505)  |
| Operating profit / (loss) before working capital changes | 1,090,663 | 1,856,575 |
| Change in working capital                      |               |               |
| Increase / (decrease) in inventories | 4,757,872 | 5,105,575 |
| Change in trade receivables             | 29,241,098 | 31,377,910 |
| Change in trade payables               | 29,705,825 | 34,522,176 |
| Increase / (decrease) in prepayments and other receivables | (7,030,070)| (6,559,965) |
| Increase / (decrease) in inventories | 41,565,645 | 43,240,531 |
| Cash used in operating activities       | 48,513,182 | 55,842,161 |
| Tax paid                              | 5,976,215       | 5,536,536 |
| Finance cost paid                     | 6,555,613       | 7,214,214 |
| Gain on disposal of property, plant & equipment | 15,000,000 | (1,500,000) |
| Net cash used in operating activities  | 35,982,357 | 46,435,821 |

### STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED JUNE 30, 2014
(UNAUDITED)

<table>
<thead>
<tr>
<th>Description</th>
<th>June 30, 2014</th>
<th>June 30, 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Losses, net</td>
<td>22,098,680</td>
<td>251,314,488</td>
</tr>
<tr>
<td>Balance as at October 1, 2012</td>
<td>(253,308,689)</td>
<td>(253,308,689)</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td>34,57,643</td>
<td>35,69,683</td>
</tr>
<tr>
<td>-Net loss for the period</td>
<td>(331,908,776)</td>
<td>(331,908,776)</td>
</tr>
<tr>
<td>-Other comprehensive income for the period</td>
<td>34,413,172</td>
<td>34,413,172</td>
</tr>
<tr>
<td>Balance as at June 30, 2014</td>
<td>(241,490,510)</td>
<td>(211,895,510)</td>
</tr>
<tr>
<td>Total comprehensive income</td>
<td>(241,490,510)</td>
<td>(211,895,510)</td>
</tr>
</tbody>
</table>

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

### NOTES TO THE FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED JUNE 30, 2014

1. These financial statements are unaudited and are being submitted to the shareholders as required by the Securities and Exchange Commission of Pakistan vide circular No.215/SE/2001 dated November 05, 2001, with reference to BSE No. 764(1) 2001.

2. These financial statements have been prepared in compliance with the requirements of International Accounting Standard 4 "Interim financial reporting” as adopted by the Institute of Chartered Accountants of Pakistan which are applicable to the Company.

3. The accounting policies and method of computation allowed for the presentation of these accounts are same as those applied in the preparation of the preceding annual accounts of the company for the year ended September 30, 2013.

4. Figures have been rounded off to the nearest rupee.

DINSHAW H. ANKLESAHIA
Chief Executive / Director
Dated: July 26, 2014

SYED ABDUR RAHIM
Director

DINSHAW H. ANKLESAHIA
Chief Executive / Director
Dated: July 26, 2014

SYED ABDUR RAHIM
Director
COMPANY PROFILE

DIRECTORS' REPORT

On behalf of the Board of Directors, it is my privilege to present to you the unaudited interim condensed financial statements of the Company for the third quarter ended June 30, 2014.

The Company’s overall performance can be seen from the following comparative statistics.

OPERATING RESULTS

2013-14 2012-13
Season started 01-11-13 30-11-2012
Season closed 22-03-14 18-03-2013
Duration of season 142 109
Sugarcane crushed Tonnes 770,516.00 516,227
Sugar produced Tonnes 70,064.00 53,050
Sugar recovery % 9.180 9.990
Molasses produced Tonnes 33,397.00 22,306
Molasses recovery % 4.33 4.32

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES
Authorized capital 25,000,000 Ordinary shares of Rs. 10 each
Issued, subscribed and paid-up capital Accumulated loss
250,000,000 223,089,088 (208,501,070)

SURPLUS ON REVALUATION OF FIXED ASSETS
722,924,576 745,637,261

LIABILITIES
NON CURRENT LIABILITIES
Subordinated Loan from Director 32,766,990
Deferred taxation 27,282,896 28,371,434
Long term loans - accrued Long term loans - accrued
302,218,635 318,109,099
Trade and loans - uncollected 6,893,819 6,632,548

PROVISION FOR GRATUITY
6,497,381 6,519,599

CURRENT LIABILITIES
Trade and other payables 1,490,325,218 1,803,673,600
Short term financiers 499,586,520 361,144,667
Bank over due 39,578,179 37,479,253
Mark-up accrual 124,693,886 173,600,959
Current portion of non current liabilities 1,608,363,957 1,235,262,598

2,917,532,221 2,236,362,783

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

Dinsaw H. Anklesaria
Chief Executive
Date: July 26, 2014

Benard N. H. Anklesaria
Chief Executive
Date: July 26, 2014

PROFIT AND LOSS ACCOUNT

UNAUDITED

AS AT JUNE 30, 2014

Unaudited
Audited September 30, 2013

ASSETS

NON CURRENT ASSETS
Property, plant and equipment 1,520,386,831 1,506,312,824
Long term investments 113,582,937 112,517,908
Long term loans 373,236 238,449
Long term deposits 1,593,566 1,593,566

CURRENT ASSETS
Stocks, spices and basic foods 29,033,970 28,337,288
Shake in sugar 976,006,675 2,006,296,431
Trade debtors - uncollected (considered good) 148,209,131 105,003,492
Loans and advances 26,527,543 19,309,386
Prepayment and other receivables 7,622,069 9,064,771
Taxes 33,331,672 25,553,943
Cash and bank balances 430,076,902 424,958,132

2,277,751,286 2,276,365,783

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

DINSHWAR H. ANKLESARIA
Chief Executive / Director

SYED ABID HUSSAIN
Director

DINSHWAR H. ANKLESARIA
Chief Executive / Director

SYED ABID HUSSAIN
Director

COMPANY SECRETARY
Mr. Muneel Khan

BANKERS
Alhilal Bank Limited
Alhilal Bank Limited
Alhilal Bank Limited
National Bank of Pakistan
National Bank of Pakistan
Summit Bank Limited

AUDITORS
Mrs. Noreen Zakaria & Company
Charted Accountants

LEGAL ADVISOR
Abid Dastur, Advocate

REGISTRAR
M/s Evaluations Practitioners (Private) Limited
407, 408, Al Ameera Centre
Shahre-e-Isra, Salat
Kolam 5410

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41-L, Block 8, P.L.C.H.E.S, Karachi
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Fax: 332-3644616
www.sakalinagora.com

FACTORY
Dils Cane Guna, Taluka Sadar, District Surendranagar, Saurashtra.