BAWANY SUGAR MILLS LIMITED

1st Floor, Block-2, Hockey Club of Pakistan Stadium, Karachi-75350, Pakistan.
UAN: 92-21 111-666-447 Ph: 92-21 35655131-4, 92-21 35657781-6, Fax: 92-21 35680533

Ref:- BSML/KSE/de-listing/05/12/
Dated:- May 14th,2012

The Managing Director
Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Subject: Voluntary De – listing of Bawani Sugar Mills Limited from Karachi Stock Exchange.

Dear Sir,

With reference to the above subject this is to inform you that the majority securities holders are desirous to purchase the shares from all the minority securities holder and we hereby apply for voluntary de-listing of the Company on the following grounds:

1. That as per audited account as at September 30th, 2011 the company has accumulated losses of **Rs.1110.41 Millions** which resulted in the capital deficiency of **Rs. 1020.66 millions** and its current liabilities exceeded it s current assets by **Rs. 120.09 millions.**
2. The company has not paid any dividend in the last 10 years due to constant losses incurred.
3. The majority share holders are providing funds to finance the operation of the company. These funds provided by majority share holders in form of subordinated loan improve the financial position of the company and help it to obtain funds from financial institutions to finance its operation. The company might not have been able to obtain these loans had this support not provided by the majority share holders.

In view of the above grounds, the majority securities holders holding **69.65%** of Company shares are agreed and ready to purchase all securities without exception from all the minority securities holders and ready to pay the price Rs. **7.72** per share.

As required under Listing Regulation, we enclose herewith the following documents.

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