

Second Scheme of Arrangement

Under Sections 284, 285, 286 and 288 of the Companies Ordinance 1984

between

Saadi Cement Limited

and Specified Creditors being holders of Term Finance Certificates

This Second Scheme of Arrangement (“**Scheme**”) is intended to constitute a revised, modified and re-stated version of the First Scheme (as defined below) amongst Saadi Cement Limited, the New Sponsors and the specified class of Creditors of Saadi Cement Limited who are holders of Term Finance Certificates of Saadi Cement Limited as specified herein.

A. PRELIMINARY

Definitions

In the Scheme of Arrangement, unless the subject or context otherwise requires, the following expressions shall bear the meanings specified against them below:

“**Assets**” mean the assets, properties and rights of every description (whether present or future, actual or contingent) and includes properties and assets held on trust or as benami and securities, benefits, powers, rights, authorities, privileges, contracts, Government consents, sanctions and authorizations, including all registrations, licenses, permits, categories, entitlements, sanctions, permissions and benefits relating to imports and exports, all trade marks, patents, copyrights, licenses, liberties, secret processes, know-how, confidential information and without in any way limiting or prejudicing the generality of the foregoing, Assets shall include: (a) all properties, immovable and movable, real, corporeal or incorporeal, in possession or reversion, present or contingent of whatsoever nature and wheresoever situated belonging to SCL or claimed by SCL ; (b) all decretal amounts, bank and other accounts, cash balances, lease deposits, receivables, reserve funds, revenue balances, investments, loans, advances, guarantees, deposits, repayments, receivables, trade debts and all other rights and interest in and arising out of such property in the ownership, possession, power or control of SCL, whether within or out of Pakistan, and all books of accounts, registers, records and all other documents of whatever nature relating thereto; (c) all the connections and facilities for telecommunications, electricity and other installations, owned by, leased or licensed to SCL (d) the contingent claims and proceeds realized from the liquidation of the contingent claims.

“Creditors” shall mean the creditors of SCL as listed and specified in **Schedule “A”** including, banking companies, investment banks, leasing companies, leasing modarabas, and development finance institutions who have been issued TFCs and /or are entitled to be issued TFCs subject to fulfillment of certain conditions under the First Scheme and the term “Creditor” shall mean any one of them.

“Court” means the High Court of Sindh at Karachi or any other Court of competent jurisdiction for the time being having jurisdiction under Sections 284 to 288 of the Companies Ordinance, 1984 in connection with the Scheme.

“Completion Date” means the Date on which the Scheme becomes operative pursuant to Clause (10) of the Scheme.

“Consenting Creditors” mean such of the Creditors who have in principle consented to the terms of the Scheme subject to sanction by the Court as per list provided in **Schedule “B”** showing the amount of outstanding TFCs held by each of such Creditors.

“Effective Date” means the 1st day of June 2004.

“Executive Committee” shall mean the committee constituted by the Creditors and SCL for implementing and monitoring the affairs of SCL pursuant to the terms of the First Scheme.

“First Scheme” shall mean the Scheme of Arrangement dated 16th August 2001 under Section 284-288 of the Ordinance between SCL, the Creditors and Previous Sponsors, which was sanctioned by the Court in JM 36/2001 by order dated 22nd November, 2001, which inter alia governs the Outstanding Liabilities and the TFCs.

“Further Financing” shall mean financing pursuant to Clause (7) of the Scheme.

“KIBOR” shall mean the average of the six-monthly rates offered by the participating banks for Karachi Interbank Offered Rates (Ask Side) published at 11.30 a.m. Pakistan Standard Time on Reuters page KIBR or if Reuters page is not available as published by the Financial Markets Association of Pakistan on (i) 31st May, 2004 for the first Redemption Date and (ii) on the immediately preceding Redemption Date for each of the subsequent Redemption Dates. If at any time the 6 months KIBOR is discontinued or is not available on the relevant date then the Executive Committee will determine the substitute rate.

“Legal Proceedings” mean the legal proceedings, threatened, filed or instituted by one or more of the Creditors against SCL and / or by SCL against one or more Creditors by way of suit, application, petition, execution application, appeal, review petition, reference or complaint before any court, tribunal, arbitrator or authority, including before the

Securities & Exchange Commission of Pakistan or any other competent authority including but not limited to the legal proceedings filed by any of the Creditors and irrespective of whether any order, judgment or decree has been passed in such legal proceedings.

“New Sponsors” mean the shareholders of SCL belonging to Dewan Mushtaq Group who have contractually acquired rights, titles and interests in the shares held previously by the Previous Sponsors subject to the rights and remedies of the Creditors and the Trustee under the First Scheme, as specified in **Schedule “C”**.

“Ordinance” shall mean the Companies Ordinance, 1984.

“Outstanding Liabilities” mean the liabilities and financial obligations of SCL towards the Creditors as of 31st May 2004 in respect of the outstanding Series ‘A’ and Series ‘B’ TFCs as per details provided in **Schedule “D”**.

“PCL” means Pakland Cement Limited, a company incorporated under the laws of Pakistan and having its business office at Dewan Centre 3-A Lalazar Beach Hotel Road, Karachi, being an affiliated /associated company of SCL with substantial shareholding of SCL being held by PCL.

“Pledged Shares” mean and include the shares of SCL and / or PCL presently pledged with the Trustee and /or any Creditors which are to be transferred to the New Sponsors and re-pledged by the Present Directors, Present Sponsors, their friends, family members and associates as specified in Schedule **“E”** while at all times remaining subject to the pledge and security interest of the Trustee and Creditors.

“Previous Directors” mean and include Mr. Tariq Mohsin Siddiqui, Mr. Shamim Mushtaq Siddiqui, Mr. Muhammad Saleem Arif, Mr. Jameel Ahmed Siddiqui, Mr. Ishtiaq Ahmed Khan, Mrs. Ghazala Mustafa and Ms. Seema Tabussam, individually and collectively, who have since resigned from the directorship of SCL.

“Previous Sponsors” mean the previous sponsoring shareholders of SCL and shall include their associates, friends, family members and third parties or any other person (s) who had provided Additional Securities to the Creditors and also those who have since transferred their share holding rights to the New Sponsors as specified in **Schedule “F”**.

“Redemption Dates” shall mean the due dates for redemption of the installments of the Revised Redemption Amounts as stated in the Revised Redemption Schedule.

“Return” shall mean the amount of profit / mark-up/return, payable in respect of the Revised Liability calculated in accordance with Clause 2 (d) of the Scheme and payable in respect of Series ‘A’ TFC.

“Revised Liability,” means the amount of liability agreed to be paid by SCL to the Creditors in respect of the TFCs, as specified in **“Schedule ‘G’**.

“Revised Redemption Amounts” shall mean the revised amounts of installments of the Revised Liability as per the Revised Redemption Schedule of the TFCs, plus the amount of Return due on such date(s) which will become applicable to Series ‘A’ TFC as provided in **Schedule ‘H’**.

“Revised Redemption Schedule” means the revised payment schedule for the TFCs specified in **Schedule ‘H’** representing the due dates for redemption / payment of the installments of the Revised Redemption Amounts.

“SCL” shall mean Saadi Cement Limited, a public limited company, incorporated under the laws of Pakistan and having its business office at Dewan Centre 3-A Lalazar Beach Hotel Road, Karachi.

“Security or Securities” mean any right, title and interest and benefit to any and all of the Assets created and/or granted as security by SCL and/or any third parties to the Creditors or the Trustee for the benefit of the Creditors and any one or more of them including those created by way of mortgage, charge, pledge, lien, hypothecation, assignment or any other manner whatsoever and including any document or instrument evidencing the creation of such right, title or interest by way of security (**“Security Documents”**) in favour of the Creditors directly or through the Trustee .

“Term Finance Certificate or TFCs” mean the instruments of redeemable capital under the provisions of Section 120 of the Companies Ordinance 1984 issued as Term Finance Certificates by SCL in favour of the Creditors pursuant to the terms of the First Scheme, constituting Series ‘A’ and Series ‘B’ TFCs and governed inter alia by the Trust Deed and the terms and conditions pertaining to the TFCs as applicable.

“Third Party Mortgaged Properties” means the immovable properties listed in **Schedule ‘J’** which are mortgaged / charged in favour of the Trustee as part of the Securities.

“Trust Deed” means the Trust Deed dated 8th April 2002, between the Trustee and SCL, which inter alia governs the rights and obligations of SCL in respect of the TFCs and the Securities.

“Trustee” shall mean Faysal Bank Limited acting on its own and/or through its authorized agent, as trustee for holding the benefit of the Security or Securities for securing the obligation of SCL in respect of the TFCs.

Note: Unless specified otherwise, wherever a reference to simply a “Clause of the Scheme” is made herein, the reference shall mean to a Clause under Section “C” of the Scheme headed “Terms of the Scheme”.

All capitalized terms used herein unless specifically defined herein, shall have the same meaning as prescribed in the First Scheme, unless repugnant to the context.

B. BACKGROUND

1. SCL is a public limited company listed on the Karachi and Islamabad Stock Exchange and was incorporated in March 1994. The present authorized capital of SCL is Rs. 3,000 million out of which Rs. 1850 million is fully paid up. SCL is engaged in the business of manufacturing and marketing of cement in Pakistan and has setup a plant near Hattar, District Haripur, NWFP. The project comprises 2-lines, out of which Line-1 is under trial production. The project of SCL has been funded by various Banks, DFI’s, Leasing Companies and Modarabas, besides equity contribution by Sponsors, PCL and National Development Finance Corporation (now National Bank of Pakistan)
2. SCL had faced difficulties in meeting its financial obligations towards the Creditors in respect of the financial indebtedness and financing facilities availed by SCL and SCL not been able to fulfill its obligations towards the Creditors on account of various factors, including delays in completion of its under implementation projects and the operations and projects of SCL being under imminent threat of being closed down at the instance of some of the Creditors, proposed the First Scheme to the Creditors which was approved by more than 95 % in value of the Creditors and the First Scheme was sanctioned by the Court pursuant to the provisions of Sections 284-288 of the Ordinance.
3. SCL has defaulted in its payment obligations pursuant to the First Scheme and in respect of the TFCs and Outstanding Liabilities and has indicated its inability to meet its obligations in respect of the TFCs and the Outstanding Liabilities, unless certain concessions and waivers are granted to SCL by the Creditors and the repayment schedule of the TFCs are revised.
4. The Previous Sponsors of SCL have unilaterally contractually transferred all their rights and interests in the management of SCL and the ownership of their shareholding in SCL to the New Sponsors, subject to the existing rights and remedies of the Creditors and Trustee under the First Scheme and the Trust Deed.
5. With a view to consider the consequences of the default status of SCL towards the Creditors, possibility of supporting the continuing operations of SCL as a going concern under the management of the New Sponsors, maximizing the recovery of the Outstanding Liabilities of the Creditors and related matters, the New Sponsors, SCL and the Creditors

have had detailed meetings and as a consequence thereof, the Scheme has been prepared reflecting the terms and conditions for compromise and arrangement between the New Sponsors, SCL and the Consenting Creditors for consideration and approval by the Creditors of SCL and for the sanction of the Court.

6. The Creditors, SCL and the New Sponsors have considered alternate ways of achieving and implementing the terms and conditions of compromise and arrangement agreed in principle amongst SCL, the New Sponsors and the Consenting Creditors as contained in the Scheme in the most legally effective and practical manner and the Sponsors, SCL and the Consenting Creditors are of the unanimous view, based on legal advice, that the most effective means of achieving the compromise and arrangement in terms of the Scheme which would be binding on all the Creditors and SCL, is to have the Scheme approved by the Creditors in terms of the provisions of Sections 284, 285, 286 and 288 of the Ordinance and sanctioned by the Court.

C. TERMS OF THE SCHEME

1. Objective

The principal objective of the Scheme is to record the modifications to the First Scheme as and by way of a re-stated and modified Scheme of Arrangement pursuant to the provisions of Sections 284-288 of the Ordinance constituting a legally binding compromise and arrangement between the Creditors on the one part and SCL, and the New Sponsors on the other part in terms hereof.

2. Acknowledgement of Outstanding Liabilities, and undertaking to pay the Revised Redemption Amounts.

- (a) SCL and the New Sponsors acknowledge the amount of Outstanding Liabilities and irrevocably waive any objection to the calculation of the amounts of the Outstanding Liabilities or the right of the Creditors to receive and recover the amounts of the Outstanding Liabilities.
- (b) The New Sponsors through PCL paid an amount of Rs. 179,508,946 (Rupees one hundred seventy nine million five hundred eight thousand nine hundred and forty six only) which is being utilized for payment of the first installment to the Creditors of SCL in accordance with Revised Redemption Schedule.
- (c) SCL will make due payment of the entire Revised Redemption Amounts strictly in accordance with the Revised Redemption Schedule and the existing redemption schedule(s) scrips of the TFCs shall stand substituted with the Revised Redemption Schedule to the same extent and legal effect as if forming

part of the TFCs and the relevant scrips thereof. It is clarified that the TFCs issued pursuant to the First Scheme and the terms and conditions governing the TFCs shall continue to subsist and the Revised Liability will continue to be reflected by the TFCs subject to the modification of the redemption amounts and redemption dates of the TFCs in terms hereof.

- (d) It is clarified that the Revised Redemption Amounts mean and include the installments of the Revised Liability and profit / mark-up calculated at the rate of KIBOR plus 2.5 % per annum on the outstanding amount of the Revised Liability in respect of Series 'A' TFCs from time to time, payable at six-monthly intervals, along with the relevant installment of the Revised Liability.

3. Continuing Securities and Security Documents

The Securities and all Security Documents including the Trust Deed will continue to secure all liabilities and obligations of SCL in respect of the Revised Liability in accordance with the Revised Redemption Schedule, except for the release of Third Party Mortgaged Properties; Guarantees and other third party securities in accordance with Clause 4 and Clause 11 below.

4. Release of Third Party Mortgaged Properties

The Third Party Mortgaged Properties will stand released by the Trustee and the Executive Committee will procure the Trustee to execute appropriate documents for discharge and release of the charge / mortgage in respect of the Third Party Mortgaged Properties at the cost of the relevant mortgagors.

5. Suspension of Legal Proceedings:

- (a) From the Completion Date, subject to the sanction of the Scheme by the Court, all Legal Proceedings (whether filed by any Creditor or by SCL) shall stand suspended and no further action shall be taken by any party to the Legal Proceedings and/or any court, tribunal, authority or forum whatsoever, except and in accordance with the terms of the Scheme.
- (b) Nothing contained in sub-clause (a) of this Clause (5) will in any way prejudice the rights and remedies of the Creditors against SCL, including the rights and remedies under law or the Scheme, to recover all amounts in respect of the TFCs.

6. Executive Committee & Office of Financial Controller

- (a) The Executive Committee will continue to function in accordance with the terms and mandate provided under the First Scheme, which shall be deemed to be reiterated herein by reference. The composition of the Executive Committee and the terms and mandate of the Executive Committee may be modified by agreement between the Executive Committee and SCL. It is however, clarified and understood that submission of monthly Cash Operating Budget (s), agreement with respect to the Collection Account (s) and the arrangements for transfer of funds from Collection Account (s) to the Operating Expenses Account, Capital Expenditure Account, Debt Servicing Account and Account of the Financial Controller has already been unilaterally suspended by SCL after June 2004.
- (b) The Office of the Financial Controller as contemplated under the First Scheme, may be discontinued or the terms and duties of the Financial Controller varied by agreement between the Executive Committee and SCL. Until such agreement, if any, the Office of the Financial Controller will continue in accordance with the terms of the First Scheme and provisions whereof shall deemed to be reiterated herein by reference.

7. Further Financing

(a) Term Financing on Pari Passu Charge on fixed Assets of SCL

For purposes of the additional funding requirements of SCL, the Executive Committee is authorized to allow SCL to raise further funding from banks and financial institutions against creation of a pari passu charge / mortgage over the fixed Assets of SCL, subject to the Executive Committee being satisfied that SCL is not in breach of any term of the Scheme or the TFCs and further that the market value of the fixed Assets of SCL are sufficient to provide requisite security coverage, including margin in respect of the Revised Liability in accordance with the Prudential Regulations of the State Bank of Pakistan as applicable from time to time. Such permission would be subject to appropriate documentation acceptable to the Executive Committee and fulfillment of any other legal formalities by SCL and the proposed new financiers as the Executive Committee may reasonably require.

(b) Working Capital Financing against charge over stocks and inventory of SCL

For purposes of working capital financing requirements of SCL, the Executive Committee is authorized to allow SCL to raise working capital financing from banks and financial institutions against creation of charge over the Current Assets

of SCL, subject to the Executive Committee being satisfied that SCL is not in breach of any conditions of the Scheme or the TFCs and subject further to security margin requirements in respect of the fixed Assets under the provisions of (a) above are complied with. Such permission would be subject to appropriate documentation acceptable to the Executive Committee and fulfillment of any other legal formalities by SCL and the proposed new financiers of working capital financing as the Executive Committee may reasonably require.

8. Transfer of Pledged Shares of PCL and SCL

The Financial Controller is authorized on behalf of the Creditors and the Executive Committee to authorize the transfer of Pledged Shares held under pledge to the New Sponsors subject to and without prejudice to the security interest by way of pledge continuing in favour of the Trustee and further subject to appropriate documentation and legal formalities to the satisfaction of the Executive Committee. The New Sponsors will acquire such Pledged Shares of SCL always subject to the pledge and security interest of the Creditors and Trustee and further subject to the Scheme. The New Sponsors have represented and warranted that they have legally acquired all rights, titles and interests in the Pledged Shares from the Previous Sponsors and are entitled to procure the transfer of the Pledged Shares as contemplated herein. The New Sponsors hereby agree to irrevocably indemnify the Trustee and the Creditors against any claims, losses, costs, litigation or damages whatsoever arising or suffered on account of the transfer of the Pledged Shares in favour of the New Sponsors in terms hereof in reliance of such representation and warranty.

9. No Change of Ownership and Management

The New Sponsors shall not be entitled to sell, transfer or otherwise dispose off any shareholding in SCL or change the majority members on the Board of Directors (being representatives of the New Sponsors) or the Chief Executive Officer of SCL, without the written consent of the Executive Committee. Failure to comply with this provision will constitute an additional Event of Default under the Scheme and any purported transfer of shareholding, change of directors or Chief Executive Officer will not be binding on the Creditors and the Executive Committee.

10. Effectiveness of this Scheme

- (a) This Scheme shall become operational and binding against the Creditors only upon and subject to the Scheme being approved by SCL, the New Sponsors and the Creditors and being duly sanctioned by the Court on or before 31st December 2004 (or such later date as the Executive Committee may allow in writing for such purpose) and further subject to a scheme of arrangement in respect of PCL being approved by the Creditors of PCL, PCL, its new sponsors and sanctioned

by the Court having jurisdiction upon terms and conditions substantially the same as contained in the Scheme as applicable to SCL on or before 31st December 2004 (or such later date as the Executive Committee may allow in writing for such purpose), which scheme of arrangement in respect of PCL is contemplated to be filed concurrently with the Scheme.

- (b) Subject to the provisions of sub-clause (a) above, the Scheme shall become effective as soon as a certified copy of an order or orders of the Court under Section 284, 285, 286 and 288 of the Ordinance sanctioning the Scheme is filed with the Registrar of Companies, Karachi which shall be the Completion Date for purposes of the Scheme but, the Scheme will be deemed to be effective as of the Effective Date.

11. Event of Default and effect on the Scheme

The Events of Default specified in the Trust Deed and the consequences upon occurrence of such Events of Default will continue to apply to the TFCs in respect of the Revised Liability and the Revised Redemption Schedule. In addition the following events will also constitute Events of Default under the terms of the Trust Deed and shall be deemed to be reiterated and incorporated in the Trust Deed.

- (a) If this Scheme does not become effective by 31st December 2004 (or such later date as the Executive Committee may approve in writing) or on account of the scheme of arrangement for PCL not being sanctioned by the relevant Court in terms of Clause (10) above by such date;
- (b) If SCL commits a default under Clause (9) above;
- (c) If SCL defaults in the due payment of any installment of the Revised Redemption Amounts in accordance with the Revised Redemption Schedule.
- (d) If SCL or the New Sponsors disclaim, disown, challenge the validity or enforceability of the Scheme, the TFCs, Security Documents or take any step or action in this regards.

12. Release of Guarantees of Previous Directors and additional securities provided by Previous Directors and Previous Sponsors

- (a) The additional securities, guarantees, power of attorney provided by the Previous Directors and Previous Sponsors directly or through their friends, associates, family members or third parties or any other person (s) who may have acted accordingly but not covered in **Schedule "F"** to the Trustee and/or Creditors

under or pursuant to the First Scheme as security for SCL's obligations in respect of Series 'A' TFCs and Series 'B' TFCs by way of mortgages, pledges, liens, encumbrances, hypothecation, sale and buy back arrangements, except the Pledged Shares being pledged afresh by the New Sponsors (**Schedule 'E'**) shall stand released and fully absolved. The original title documents, pledges, share certificates, guarantees personal or otherwise, power of attorney and/or any other documents held by the Creditors/Trustees and/or their nominees/representatives in the capacity aforementioned, shall be returned to their respective owners and/or executors.

- (b) It is clarified and recorded that nothing specified in sub-clause (a) above will apply to any and all Assets belonging to SCL and/or security granted by SCL itself in favour of the Trustee/Creditors .

13. CIB Status in respect of previous defaults by SCL

The Creditors acknowledge and record that in view of the down-payment made by SCL and the commitments of the New Sponsors in terms of the Scheme, the Creditors will not consider SCL or the New Sponsors as defaulters for purposes of reporting to the CIB of the State Bank of Pakistan for any past default of SCL, without prejudice to the right of each of the Creditors to report SCL as a defaulter in relation to any default in payment of amounts pursuant to the Scheme in respect of the Revised Liability or the Revised Redemption Amounts.

14. Relationship of the Scheme with the First Scheme, TFCs, Trust Deed and Security Documents

- (a) The Scheme constitutes a revised, modified and re-stated version of the First Scheme and is intended to govern the relationship between SCL, the New Sponsors and the Creditors in relation to matters previously covered by the First Scheme;
- (b) The Trust Deed, TFCs (including terms and conditions thereof), the Security Documents and any provisions contained in the First Scheme in relation to the creation, monitoring, enforcement of the Securities will continue to remain fully effective, valid and enforceable, subject to the modifications and specific terms and conditions of the Scheme. Wherever there is a reference in the Trust Deed, Security Documents or the TFCs (including terms and conditions thereof) to the Scheme, the same shall mean and include the First Scheme as modified and replaced by the Scheme.

- (c) In the event of any conflict between any provision of the Trust Deed, TFCs or any Security Documents and this Scheme, the provisions of this Scheme shall prevail.

- (d) It is clarified that under Section C Clause 7 under the heading “***Milestones to be achieved by SCL***” under the First Scheme, all sub-clauses except sub- clause (g) having become redundant shall cease to be applicable under the Scheme . Additionally, conditions stipulated under Section C Clause 5 Sub clause (n) (i) and (ii) under the heading “***Appointment of Executive Committee and the Financial Controller***” of the First Scheme shall cease to be applicable under the Scheme.

- (e) The First Scheme shall remain fully effective and valid until and unless the Scheme becomes effective in accordance with the provisions of Clause (10) hereof and nothing contained herein shall constitute any waiver of any default on the part of SCL or any right or remedy of the Creditors, the Trustee or the Executive Committee until such time that the Scheme becomes effective.

SAADI CEMENT LIMITED	
DETAILS OF CREDITORS	
S. NO.	NAME OF CREDITORS
1	ABN Amro
2	Crescent Commercial Bank Limited
3	Faysal Bank Limited
4	First Capital Securities Limited
5	Islamic Investment Bank Limited
6	Industrial Development Bank of Pakistan
7	National Bank of Pakistan
8	Pak Libya Holding Company Limited
9	Standard Chartered Grindlays
10	Saudi Pak Industrial & Agricultural Investment Company Ltd.
11	Union Bank Limited
12	The Bank of Khyber
13	Saudi Pak Commercial Bank Limited
14	Prudential Discount & Guarantee House
15	First Allied Bank Modaraba
16	Crescent Standard Investment Bank Limited
17	First Fidelity Leasing Modaraba
18	Al-Zamin Leasing Modaraba
19	Ibrahim Leasing Limited
20	Long Term Venture Capital Modaraba
21	NDLC-IFIC Bank Limited
22	Orix Leasing Pakistan Limited
23	Pakistan Industrial & Commercial Leasing Limited
24	Trust Commercial Bank Limited
25	Union Leasing Limited

SAADI CEMENT LIMITED
LIST OF CONSENTING CREDITORS(TFC HOLDERS)

S.#.	Institutions	FACE VALUE			REDEMPTION VALUE		
		A	B	TOTAL	A	B	TOTAL
1	Faysal Bank Limited	672,682,000	308,963,000	981,645,000	1,793,818,667	308,963,000	2,102,781,667
2	National Bank of Pakistan	1,086,740,000	700,325,000	1,787,065,000	2,897,973,333	700,325,000	3,598,298,333
3	Crescent Commercial Bank Limited	152,083,000	75,348,000	227,431,000	405,554,667	75,348,000	480,902,667
4	Pak Libya Holding Company Limited	82,738,000	22,562,000	105,300,000	220,634,667	22,562,000	243,196,667
5	Saudi Pak Industrial & Agri. Invest. Company Ltd.	2,575,000	2,095,000	4,670,000	6,866,667	2,095,000	8,961,667
6	Union Bank Limited	83,874,000	34,916,000	118,790,000	223,664,000	34,916,000	258,580,000
7	First Allied Bank Modaraba	72,500,000	52,341,000	124,841,000	193,333,333	52,341,000	245,674,333
8	First Fidelity Leasing Modaraba	10,560,000	6,121,000	16,681,000	28,160,000	6,121,000	34,281,000
9	Crescent Standard Investment Bank Limited	40,502,000	5,764,000	46,266,000	108,005,333	5,764,000	113,769,333
10	Al-Zamin Leasing Modaraba	13,948,000	242,000	14,190,000	37,194,667	242,000	37,436,667
11	Ibrahim Leasing Limited	25,610,000	14,080,000	39,690,000	68,293,333	14,080,000	82,373,333
12	Long Term Venture Capital Modaraba	43,972,000	18,501,000	62,473,000	117,258,667	18,501,000	135,759,667
13	Orix Leasing Pakistan Limited	1,662,000	1,173,000	2,835,000	4,432,000	1,173,000	5,605,000
14	Pakistan Industrial & Commercial Leasing Ltd.	11,063,000	1,868,000	12,931,000	29,501,333	1,868,000	31,369,333
15	Trust Commercial Bank Limited	95,758,000	53,101,000	148,859,000	255,354,667	53,101,000	308,455,667
16	Union Leasing Limited	9,399,000	5,461,000	14,860,000	25,064,000	5,461,000	30,525,000
GRAND TOTAL		2,405,666,000	1,302,861,000	3,708,527,000	6,415,109,334	1,302,861,000	7,717,970,334

SAADI CEMENT LIMITED**DETAILS OF NEW SPONSORS**

S. No.	NAME
1	Mr. Dewan M .Yousuf Farooqui
2	Mrs.Heena Yousuf Farooqui
3	Delta Innovations Ltd
4	Delta Climate Control and Engineering Ltd
5	Dewan Motors(Pvt) Ltd
6	Dewan Mushtaq Motors Company (Pvt) Ltd

Saadi Cement Limited
Outstanding Liabilities
As on May 31, 2004

Schedule "D"

S.#.	Institutions	FACE VALUE			REDEMPTION VALUE		
		A	B	TOTAL	A	B	TOTAL
1	Faysal Bank Limited	672,682,000	308,963,000	981,645,000	1,793,818,667	308,963,000	2,102,781,667
2	National Bank of Pakistan	1,086,740,000	700,325,000	1,787,065,000	2,897,973,333	700,325,000	3,598,298,333
3	Standard Chartered Grindlays	93,630,000	47,359,000	140,989,000	249,680,000	47,359,000	297,039,000
4	ABN Amro	10,868,000	5,543,000	16,411,000	28,981,333	5,543,000	34,524,333
5	Crescent Commercial Bank Limited	152,083,000	75,348,000	227,431,000	405,554,667	75,348,000	480,902,667
6	First Capital Securities Limited	9,030,000	1,141,000	10,171,000	24,080,000	1,141,000	25,221,000
7	Islamic Investment Bank Limited	40,515,000	10,858,000	51,373,000	108,040,000	10,858,000	118,898,000
8	Pak Libya Holding Company Limited	82,738,000	22,562,000	105,300,000	220,634,667	22,562,000	243,196,667
9	Saudi Pak Industrial & Agri. Invest. Company Ltd.	2,575,000	2,095,000	4,670,000	6,866,667	2,095,000	8,961,667
10	Union Bank Limited	83,874,000	34,916,000	118,790,000	223,664,000	34,916,000	258,580,000
11	The Bank of Khyber	-	2,059,000	2,059,000	-	2,059,000	2,059,000
12	Saudi Pak Commercial Bank Limited	60,600,000	15,323,000	75,923,000	161,600,000	15,323,000	176,923,000
13	Prudential Discount & Guarantee House	63,171,000	16,345,000	79,516,000	168,456,000	16,345,000	184,801,000
14	First Allied Bank Modaraba	72,500,000	52,341,000	124,841,000	193,333,333	52,341,000	245,674,333
15	First Fidelity Leasing Modaraba	10,560,000	6,121,000	16,681,000	28,160,000	6,121,000	34,281,000
16	Crescent Standard Investment Bank Limited	40,502,000	5,764,000	46,266,000	108,005,333	5,764,000	113,769,333
17	Al-Zamin Leasing Modaraba	13,948,000	242,000	14,190,000	37,194,667	242,000	37,436,667
18	Ibrahim Leasing Limited	25,610,000	14,080,000	39,690,000	68,293,333	14,080,000	82,373,333
19	Long Term Venture Capital Modaraba	43,972,000	18,501,000	62,473,000	117,258,667	18,501,000	135,759,667
20	NDLC-IFIC Bank Limited	149,205,000	36,641,000	185,846,000	397,880,000	36,641,000	434,521,000
21	Orix Leasing Pakistan Limited	1,662,000	1,173,000	2,835,000	4,432,000	1,173,000	5,605,000
22	Pakistan Industrial & Commercial Leasing Ltd.	11,063,000	1,868,000	12,931,000	29,501,333	1,868,000	31,369,333
23	Trust Commercial Bank Limited	95,758,000	53,101,000	148,859,000	255,354,667	53,101,000	308,455,667
24	Union Leasing Limited	9,399,000	5,461,000	14,860,000	25,064,000	5,461,000	30,525,000
GRAND TOTAL		2,832,685,000	1,438,130,000	4,270,815,000	7,553,826,667	1,438,130,000	8,991,956,667

Revised Schedule "E"

SAADI CEMENT LIMITED
PLEGGED SHARES - SCRIPS OF PAKLAND CEMENT LIMITED

S. #	NAME OF SHARE HOLDER/PLEDGER	NUMBER OF PLEDGE OF SHARES	PURPOSE	PREVIOUS CREDITOR/PLEDGEES	PRESENT CUSTODIAN	PRESENT PLEDGEE
1	SHAMIM M. SIDDIQUI	263,000	PCL Facility	Askari Leasing	Trustee	Trustee
2	KAMRAN ALI KHAN	4,016,836	PCL Facility	Al-Faysal Inv. Bank	Faysal Bank	Faysal Bank
3	M. SHARIQ ABBASI	888,600	PCL Facility	Al-Faysal Inv. Bank	Faysal Bank	Faysal Bank
4	M. SHARIQ ABBASI	1,767,000	PCL Facility	Askari Bank	Trustee	Trustee
5	M. SHARIQ ABBASI	1,600,000	PCL Facility	Societe General	Trustee	Trustee
	TOTAL	4,255,600				
6	SYED JARRAR HUSSAIN	1,133,000	PCL Facility	Askari Bank	Trustee	Trustee
7	SYED JARRAR HUSSAIN	1,600,063	PCL Facility	Societe General	Trustee	Trustee
	TOTAL	2,733,063				
8	SHAMIM M. SIDDIQUI	313,500	SCL Facility	Prudential Inv. Bank	PIBL	Trustee
9	MUHAMMAD SALEEM ARIF	211,062	Sponsors Loan	Faysal Bank	Faysal Bank	Faysal Bank
10	SYED JARRAR HUSSAIN	532,300	Sponsors Loan	Faysal Bank	Faysal Bank	Faysal Bank
11	SYED JARRAR HUSSAIN	1,217,175	SCL Facility	Islamic Inv. Bank	Trustee	Trustee
12	SYED JARRAR HUSSAIN	250,000	SCL Facility	NDLC	Trustee	Trustee
13	SYED JARRAR HUSSAIN	550,000	SCL Facility	PDGH	PDGH	Trustee
14	SYED JARRAR HUSSAIN	2,050,000	SCL Facility	Saudi Pak Comm. Bank	Trustee	Trustee
15	SYED JARRAR HUSSAIN	64,000	SCL Facility	SAPICO	Trustee	Trustee
16	SYED JARRAR HUSSAIN	400,000	SCL Facility	CresBank	Cresbank	Cresbank
17	SYED JARRAR HUSSAIN	842,500	Sponsors Loan	Prime Bank	-----	-----
	TOTAL	5,905,975				
18	KAMRAN ALI KHAN	656,637	SCL Facility	First Capital	First Capital	Trustee
19	KAMRAN ALI KHAN	127,400	SCL Facility	Islamic Inv. Bank	Trustee	Trustee
20	KAMRAN ALI KHAN	2,600,000	SCL Facility	Pak Libya	Trustee	Trustee
21	KAMRAN ALI KHAN	1,639,173	SCL Facility	PDGH	PDGH	Trustee
22	KAMRAN ALI KHAN	11,500	SCL Facility	Prudential Inv. Bank	PIBL	Trustee
23	KAMRAN ALI KHAN	333,400	SCL Facility	SAPICO	Trustee	Trustee
24	KAMRAN ALI KHAN	158,400	SCL Facility	LTV Modaraba	Official Assignee	Trustee
25	KAMRAN ALI KHAN	365,000	Sponsors Loan	Prime Bank	-----	-----
	TOTAL	5,891,510				
26	M. SHARIQ ABBASI	339,000	SCL Facility	Islamic Inv. Bank	Trustee	Trustee
27	M. SHARIQ ABBASI	158,400	SCL Facility	LTV Modaraba	Official Assignee	Trustee
28	M. SHARIQ ABBASI	2,333,025	SCL Facility	PDGH	PDGH	Trustee
29	M. SHARIQ ABBASI	666,925	SCL Facility	Prudential Inv. Bank	PIBL	Trustee
30	M. SHARIQ ABBASI	1,600,000	SCL Facility	SAPICO	Trustee	Trustee
31	M. SHARIQ ABBASI	501,000	SCL Facility	CresBank	Cresbank	Cresbank
	TOTAL	5,598,350				
32	JAMEEL AHMED SIDDIQUI	274,375	SCL Facility	CresBank	Cresbank	Cresbank
33	JAMEEL AHMED SIDDIQUI	42,750	PCL Facility	Askari Leasing	Trustee	Trustee
	TOTAL	317,125				
34	FRIENDS AND FAMILY MEMBERS	2,937,580	SCL Facility	CresBank	Cresbank	Cresbank
35	FRIENDS AND FAMILY MEMBERS	874,060	Sponsors Loan	Faysal Bank	Faysal Bank	Faysal Bank
36	FRIENDS AND FAMILY MEMBERS	414,143	SCL Facility	First Capital	First Capital	Trustee
37	FRIENDS AND FAMILY MEMBERS	465,886	SCL Facility	Islamic Inv. Bank	Trustee	Trustee
38	FRIENDS AND FAMILY MEMBERS	16,700	SCL Facility	LTV Modaraba	Official Assignee	Trustee
39	FRIENDS AND FAMILY MEMBERS	1,948,927	SCL Facility	PDGH	PDGH	Trustee
40	FRIENDS AND FAMILY MEMBERS	2,691,148	PCL Facility	Askari Leasing	Trustee	Trustee
41	FRIENDS AND FAMILY MEMBERS	616,272	PCL Facility	Societe General	Trustee	Trustee
42	FRIENDS AND FAMILY MEMBERS	2,470,815	Sponsors Loan	Prime Bank	-----	-----
	TOTAL	12,435,531				
	GRAND TOTAL	41,941,552				

Revised Schedule "E"

SAADI CEMENT LIMITED**PLEGGED SHARES - SCRIPS OF SAADI CEMENT LIMITED**

S. #	NAME OF SHARE HOLDER/PLEDGER	NUMBER OF PLEDGE OF SHARES	PURPOSE	PREVIOUS CREDITOR/PLEDGEES	PRESENT CUSTODIAN	PRESENT PLEDGEE
1	SYED JARRAR HUSSAIN	5,000,000	SCL Facility	NDLC	Trustee	Trustee
2	SYED JARRAR HUSSAIN	5,520,000	SCL Facility	CresBank	CresBank	CresBank
3	SYED JARRAR HUSSAIN	1,540,000	SCL Facility	Pak Libya	Trustee	Trustee
4	SYED JARRAR HUSSAIN	700,000	SCL Facility	Islamic Inv. Bank	Trustee	Trustee
5	SYED JARRAR HUSSAIN	350,000	Sponsors Loan	Prime Bank	-----	-----
6	SYED JARRAR HUSSAIN	1,000,000	Sponsors Loan	Faysal Bank Limited	Faysal Bank	Faysal Bank
7	SYED JARRAR HUSSAIN	4,016,000	SCL Facility	Bank of Khyber	Trustee	Trustee
	TOTAL	18,126,000				
8	KAMRAN ALI KHAN	9,000,000	SCL Facility	CresBank	CresBank	CresBank
9	KAMRAN ALI KHAN	3,000,000	SCL Facility	LTV Modaraba	Official Assignee	Trustee
10	KAMRAN ALI KHAN	1,400,000	PCL Facility	Societe General	Trustee	Trustee
11	KAMRAN ALI KHAN	2,100,000	PCL Facility	NDLC	Trustee	Trustee
	TOTAL	15,500,000				
12	M. SHARIQ ABBASI	15,000,000	SCL Facility	CresBank	CresBank	CresBank
13	M. SHARIQ ABBASI	8,000,000	SCL Facility	NDFC	National Bank	National Bank
	TOTAL	23,000,000				
14	PAKLAND CEMENT LIMITED	2,000,000	SCL Facility	Prudential Inv. Bank	PIBL	Trustee
15	PAKLAND CEMENT LIMITED	2,000,000	SCL Facility	Saudi Pak Comm. Bar	Trustee	Trustee
16	PAKLAND CEMENT LIMITED	1,000,000	SCL Facility	PDGH	PDGH	Trustee
17	PAKLAND CEMENT LIMITED	45,000,000	SCL Facility	National Bank	National Bank	National Bank
18	PAKLAND CEMENT LIMITED	12,000,000	SCL Facility	NDFC	National Bank	National Bank
	TOTAL	62,000,000				
19	PAKLAND CEMENT LIMITED	2,700,000	PCL Facility	Standard Chart. Bank	Standard Chart. Bank	Standard Chart. Bank
20	PAKLAND CEMENT LIMITED	2,700,000	PCL Facility	Allied Bank	Allied Bank	Allied Bank
21	PAKLAND CEMENT LIMITED	2,700,000	PCL Facility	Askari Bank	Askari Bank	Askari Bank
22	PAKLAND CEMENT LIMITED	1,080,000	PCL Facility	Soneri Bank	Soneri Bank	Soneri Bank
23	PAKLAND CEMENT LIMITED	2,600,000	PCL Facility	NIT	NIT	NIT
24	PAKLAND CEMENT LIMITED	1,620,000	PCL Facility	Habib Bank	Habib Bank	Habib Bank
25	PAKLAND CEMENT LIMITED	2,700,000	PCL Facility	Citi Bank NA	-----	-----
26	PAKLAND CEMENT LIMITED	1,497,600	PCL Facility	SAPICO	SAPICO	SAPICO
	TOTAL	17,597,600				
27	FRIENDS AND FAMILY MEMBERS	2,000,000	SCL Facility	Pak Libya	Trustee	Trustee
28	FRIENDS AND FAMILY MEMBERS	3,900,000	PCL Facility	NDLC	Trustee	Trustee
	TOTAL	5,900,000				
	GRAND TOTAL	142,123,600				

SAADI CEMENT LIMITED

DETAIL OF PREVIOUS SPONSORS

S. No.	NAME
1	Mr.Tariq Mohsin Siddiqui
2	Mr.Shamim Mushtaq Siddiqui
3	Mr.Muhammad Salim Arif
4	Mr.Jameel Ahmed Siddiqui
5	Mr.Ishtiaq Ahmed Khan
6	Mrs.Ghazala Mustafa
7	Miss Seema Tabussum
8	Mr.Kamran Ali Khan
9	Mr.Muhammad Shariq Abbasi
10	Mr.S Jarrar Hussain Kazmi

SAADI CEMENT LIMITED				
DETAIL OF REVISED LIABILITIES				
S.#.	NAME OF CREDITORS/TFC HOLDERS	SERIES A	SERIES B	TOTAL
1	Faysal Bank Limited	672,682,000	92,688,900	765,370,900
2	National Bank of Pakistan	1,086,740,000	210,097,500	1,296,837,500
3	ABN Amro	10,868,000	1,662,900	12,530,900
4	Crescent Commercial Bank Limited	152,083,000	22,604,400	174,687,400
5	First Capital Securities Limited	9,030,000	342,300	9,372,300
6	Islamic Investment Bank Limited	40,515,000	3,257,400	43,772,400
7	Pak Libya Holding Company Limited	82,738,000	6,768,600	89,506,600
8	Saudi Pak Industrial & Agri. Invest. Company Ltd.	2,575,000	628,500	3,203,500
9	Union Bank Limited	83,874,000	10,474,800	94,348,800
10	The Bank of Khyber	-	617,700	617,700
11	Saudi Pak Commercial Bank Limited	60,600,000	4,596,900	65,196,900
12	Standard Chartered Grindlays	93,630,000	14,207,700	107,837,700
13	Prudential Discount & Guarantee House	63,171,000	4,903,500	68,074,500
14	First Allied Bank Modaraba	72,500,000	15,702,300	88,202,300
15	First Fidelity Leasing Modaraba	10,560,000	1,836,300	12,396,300
16	Crescent Standard Investment Bank Limited	40,502,000	1,729,200	42,231,200
17	Al-Zamin Leasing Modaraba	13,948,000	72,600	14,020,600
18	Ibrahim Leasing Limited	25,610,000	4,224,000	29,834,000
19	Long Term Venture Capital Modaraba	43,972,000	5,550,300	49,522,300
20	NDLC-IFIC Bank Limited	149,205,000	10,992,300	160,197,300
21	Orix Leasing Pakistan Limited	1,662,000	351,900	2,013,900
22	Dewan Farooq Motors Limited	11,063,000	560,400	11,623,400
23	Trust Commercial Bank Limited	95,758,000	15,930,300	111,688,300
24	Union Leasing Limited	9,399,000	1,638,300	11,037,300
GRAND TOTAL		2,832,685,000	431,439,000	3,264,124,000

Revised Schedule "H"
SAADI CEMENT LIMITED
REDEMPTION SCHEDULE / AMOUNTS

Due Date	Series A	Series B	Return/Profit/Markup
Down Payment	174,064,869	-	To be calculated and paid @ (Six) months Ask KIBOR + 2.5% per annum w.e.f. 1st June 2004. May 31, 2004 will be the date for determining the KIBOR for the payments due on 15-01-2005. For subsequent payment the date, immediately preceding redemption date for each of the subsequent payment will be used for determining the KIBOR.
15-01-05	56,800,000		
15-07-05	56,800,000		
15-01-06	211,070,000		
15-07-06	211,070,000		
15-01-07	211,070,000		
15-07-07	211,070,000		
15-01-08	211,070,000		
15-07-08	211,070,000		
15-01-09	211,070,000		
15-07-09	211,070,000		
15-01-10	211,070,000		
15-07-10	211,070,000		
15-01-11	211,070,000		
15-07-11	223,250,131		
15-01-12	-	107,859,750	Zero
15-07-12	-	107,859,750	"
15-01-13	-	107,859,750	"
15-07-13	-	107,859,750	"
Total	2,832,685,000	431,439,000	

SAADI CEMENT LIMITED				
DETAILS OF THIRD PARTY MORTGAGED PROPERTIES				
S.NO.	TITLE	PROPERTY	AREA	BANKS & DFI's
1	SONAX HOUSING	Sector. 32, Scheme 33, Karachi	25.120 Acres	UNION BANK LTD
2	SAEED AKBAR KHAN	Survey No. 30, 31 & 33, Deh Khanto	1.25 Acres	CRESCENT INV. BANK