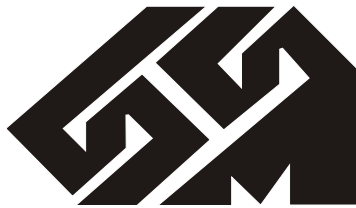

Cost Auditors' Report

For the year ended September 30, 2012



سانگھڑ شوگر ملز لمیٹڈ

Sanghar Sugar Mills Limited



Sanghar Sugar Mills Limited

HEAD OFFICE: 101-First Floor, Ocean Centre, Talpur Road, Karachi - Pakistan.
Phone : 021-32427171-72 - 32416554, Fax No : 021-32410700

March 25, 2013

To,
The Directors and Shareholders of
Sanghar Sugar Mills Limited

**Circulation & Distribution of Cost Auditors' Report
Along With Reconciliation with Financial Accounts of
SANGHAR SUGAR MILLS LIMITED
For the Year Ended September 30, 2012**

It is hereby notified that in order to comply with the requirements mentioned in the Companies Cost Accounting Record (General Order) 2008 issued by Securities & Exchange Commission of Pakistan (The Commission), the Cost Auditors' Report together with the Reconciliation as cited above, be and are hereby circulated and distributed to the directors, members and shareholders of the Company, the Commission and the Registrar concerned.

Regards,

For **Sanghar Sugar Mills Limited**

A handwritten signature in black ink, appearing to be 'A. W.', written over a light blue horizontal line.

Company Secretary

Copy submitted for compliance to:

- 1). **The Director Enforcement**
Securities & Exchange Commission of Pakistan
NIC Building, Jinnah Avenue, Islamabad.
- 2). **The Registrar of Companies.**
Securities & Exchange Commission of Pakistan
4th Floor State Life Building No-2
Wallace Road, Karachi.

**COST AUDITORS' REPORT
2011-2012
SANGHAR SUGAR MILLS LIMITED**

I N D E X

	<i>Page #</i>
Cost Auditors' Report	1
(1) Capacity	2
(2) Cost Accounting System	2
(3) Production	2
(4) Raw Material	3
(5) Wages & Salaries	4
(6) Stores & Spare Parts	5
(7) Depreciation	5
(8) Overheads	6
(9) Royalty / Technical Aid Payment	7
(10) Abnormal Non-Recurring Features	7
(11) Cost of Production	8
(12) Sales	8
(13) Profitability	9
(14) Cost Auditors' Observations and Conclusions	10
(15) Reconciliation with Financial Account	11
(16) Cost Statements	11
(17) Miscellaneous	11
Reconciliation of cost sales between cost accounts with audited financial accounts	
Statement of Capacity Utilization	
Statement of Stock-in-Trade	
 Cost Accounting Records:	 Schedule
1. Production Data (Based on FORM RT-4)	1
2. Cost of Production and Sale of White Bagged Sugar	Annexures I
3. Sugar Cane Produced	II
4. Cost of Sugar Cane Crushed	III
5. Cost of Beet Consumed	IV
6. Cost of Process Material Consumed	V
7. Cost of Salaries, Wages & Benefits	VI
8. Cost of Steam / Generated Consumed	VII
9. Cost of Electric Power Purchased / Generated and Consumed	VIII
10. Other Factory Overheads	IX
11. Administrative Expenses	X
12. Selling Expenses	XI

SIDDIQI & COMPANY

Cost & Management Accountants

COST AUDITORS' REPORT

We, **SIDDIQI & COMPANY, Cost & Management Accountants** having been appointed to conduct an audit of cost accounts of **SANGHAR SUGAR MILLS LIMITED**, have examined the books of account and the statements prescribed under clause (e) of sub-section (1) of section 230 of the Companies Ordinance, 1984 and the other relevant record for the year ended September 30, 2012, and report that-

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of this audit.
2. In our opinion:
 - (a) proper cost accounting records as required by clause (e) of sub-section (1) of section 230 of the Companies Ordinance, 1984 (XLVII of 1984), and as required by these rules, have been kept by the company;
 - (b) proper returns, statements and schedules for the purpose of audit of cost accounts relating to branches were not required as the Company has no branches in or outside Pakistan;
 - (c) the said books and records give the information required by the rules in the manner so required; and
3. in our opinion and, subject to best of our information-
 - (a) The annexed statement of capacity utilization and stock-in-trade are in agreement with the books of account of the company and exhibit true and fair view of the Company's affairs; and
 - (b) Cost accounting records have been properly kept so as to give a true and fair view of the cost of production, processing, manufacturing and marketing of the under mentioned products of the company, namely,
 - (i) Main Product
 - White Sugar
 - (ii) By Products
 - Molasses
 - Baggasse

The matters contained in the ANNEXED Forms are part of this report.

SIDDIQI & COMPANY
Cost & Management Accountants

Karachi: 24 JAN 2013

1. CAPACITY (Tonne)

	Licensed / Installed Capacity	Utilised Capacity	% of Installed Capacity
(a)			
	Year : 2012		
– Crushing capacity (6,000 tonne x 109 working days)	654,000	483,352	74%

(b) The company is engaged in the manufacturing and sale of white sugar and its by products.

2. COST ACCOUNTING SYSTEM

- Manufacturing of sugar is a continuous process. The company, however, uses financial and cost integrated accounting system which shows overall cost of production. There is however the need to develop process cost accounting system so as to be able to develop cost data at each stage of production process.

The company is operating an EXCEL based inhouse software, which generates cost statements relating to manufacturing of sugar.

3. PRODUCTION

		<i>Qty. in Tonne</i>				
(a)	Installed Capacity	Production		% of Installed		
		YEARS				
	2012	2011	2012	2011	2012	2011
– Main Product:						
– White Sugar Produced:						
– from sugar cane	65,400	70,200	46,516	47,008	71%	67%
– By Product:						
– Molasses	32,700	35,100	25,930	23,625	79%	67%
– Bagasse	228,900	245,700	159,506	162,098	70%	66%
– V. Filter Cake	19,620	21,060	14,501	14,736	74%	70%

Standard Recovery

Molasses	05% cane (tonne)
Baggasse	35% cane (tonne)
V. Filter Cake	03% cane (tonne)

(b) The main reason for under-utilisation of capacity was the insufficient availability of sugar cane.

(c) There was no addition in crushing capacity in the last two years.

4. RAW MATERIAL

(a) Major Raw Materials Consumed

	2 0 1 2		2 0 1 1	
	Quantity (Tonne)	Rupees in '000	Quantity (Tonne)	Rupees in '000
Sugar Cane (See Annexure - III)	483,352	1,944,596	491,205	2,534,468
Process Material (See Annexure - V)	–	7,102	–	6,056

(b) Major Raw Materials consumption per unit of production compared with standard requirements.

Standard Tonne	Sugar		% Increase / (Decrease) as compared to Standard	
	2012 Tonne	2011 Tonne	2012	2011
	Sugar Cane	10.00	10.39	3.91

Standard : 10.00 tonne sugar cane = 1 tonne sugar

Actual :

Year 2012 : 10.39 tonne sugar cane = 1 tonne sugar

Year 2011 : 10.45 tonne sugar cane = 1 tonne sugar

(c) Explanation of Variances

- Sugar cane yield depends upon the quality of sugar cane; and the quality varies with the periods / days of maturity of the crop. Higher maturity of crop means higher quality and higher yield.

(d) Method of Accounting

- These are valued at lower of the weighted average cost.

5. SALARIES, WAGES & BENEFITS:**(a) Total salaries, wages and benefits paid for all categories of employees**

				Increase / (Decrease)			
	2012	2011	2010	As compared to 2011		As compared to 2010	
	Rs. in '000	Rs. in '000	Rs. in '000	Rs. in '000	%	Rs. in '000	%
(i) Direct labour cost on production	61,208	58,900	51,806	2,308	4	9,402	18
(ii) Indirect labour cost on production	12,657	10,553	10,098	2,104	20	2,559	25
(iii) Employees' cost on administration	52,597	49,060	40,533	3,537	7	12,064	30
(iv) Employees' cost on selling and distribution	-	-	-	-	-	-	-
(v) Total employees cost (i to iv)	126,462	118,513	102,437	7,949	7	24,025	23
(vi) Bonus to workers and employees already included above employees cost	18,957	16,132	14,521	2,825	18	4,436	31
(vii) Other employees cost	----- N I L -----						

– There is no significant variance in salaries & wages as compared to last year.

(b) Salaries and perquisites of chief executive and directors

– The aggregate amount charged in the accounts for the period for remuneration, including all benefits to the chief executive, directors and executives of the company were as follows :

	Chief Executive		Directors		Executives		TOTAL	
	2012	2011	2012	2011	2012	2011	2012	2011
	----- (Rupees in `000) -----							
Directors' fee	-	-	135	140	-	-	135	140
Managerial remuneration	4,775	3,714	1,204	846	5,320	4,884	11,299	9,444
Housing	1,470	1,129	541	381	1,646	1,510	3,657	3,020
Medical & Others	326	501	240	175	731	671	1,297	1,347
	6,571	5,344	1,985	1,402	7,697	7,065	16,253	13,811
Number of persons (including those who worked part of the year)	1	1	2	2	3	3	6	6

The chief executive and two directors and executives are provided with the company maintained cars for the business and personal use and the Chief Executive and two Directors are also provided with telephone facilities for the business and personal use.

(c) Total men-days of direct labour

	Worked	Available	% Worked
525 men x 102 days (worked)			
525 men x 109 days (available)	53,550	57,225	94

(d) Average number of production workers employed

2012	2011	% Increase/(Decrease)
525	500	(4%)

(e) Direct labour cost per ton

				Increase / (Decrease)			
	2012	2011	2010	As compared to 2011		As compared to 2010	
					%		%
Sugar (Tonne)	46,516	47,008	46,547	(492)	(1)	(32)	(0)
Direct Labour (Rs. in '000)	61,208	58,900	51,806	2,308	4	9,402	18
Direct Labour Cost (Rs. per Tonne)	1,316	1,253	1,113	63	5	203	18

(f) Brief explanations for variances

– Same comments as para 5(a) above.

(g) Comments on Incentives Scheme

– The company operates an un-funded gratuity scheme for all its eligible employees to the scheme with qualifying service period.

6. STORES AND SPARE PARTS**(a) The expenditure per unit of output on stores, etc.**

- (i) Total amount of expenditure (Rs. in '000)
(ii) Production of white sugar (Tonne)
(iii) Amount per tonne of white sugar produced (Rs. per Tonne)

2012	2011
65,242	65,767
46,516	47,008
1,403	1,399

- There was no significant variance as compared to last year.

(b) System of stores

- These are valued at cost calculated on weighted average basis less provision for obsolescence except for the items in transit, which are valued at cost.

(c) Proportion of closing inventory of stores representing items which have not moved for over twenty four months.

- Slow moving items amount to Rupees 11.541 millions which represent 19% of closing inventory as against Rupees 8.352 million representing 15% last year.

7. DEPRECIATION**(a) Method of depreciation**

- Depreciation is charged, on a systematic basis over the economic useful life of the asset, on reducing balance method, which reflects the pattern in which the assets economic benefits are consumed by the company. Depreciation on additions is charged from the month in which the assets are put to use while no depreciation is charged in the month in which the assets are disposed off.

In compliance with the revised International Accounting Standard No. 16, "Property, Plant and Equipment" the company adopted revaluation model for its property, plant and equipment and the revalued figures treated as deemed costs. The surplus on revaluation of these assets, however, is recognized in accordance with section 235 of the Companies Ordinance, 1984. The surplus on revaluation of fixed assets to the extent of incremental depreciation net of deferred tax thereon charged on the related assets is transferred by the company to statement of changes in equity under unappropriated profit. In case of disposal of revalued asset, any revaluation surplus is directly transferred to retained earning. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

Profit or loss on disposal of property, plant and equipment, if any, is taken to profit and loss account.

(b) Basis of allocation of depreciation on common assets to the different departments.

- Depreciation on common assets is allocated as under:

- (i) Cost of sales
(ii) Admin. & general

2012	2011
Rs. in '000	Rs. in '000
38,310	27,588
3,906	3,195
<u>42,216</u>	<u>30,783</u>

(c) Basis of charging depreciation to cost of products

- The depreciation is allocated to cost of production on the value of assets employed.

8. OVERHEADS

(a) Total amounts of the overheads

	2012	2011	2010
	Rs.in '000	Rs. in '000	Rs.in '000
(i) Factory	12,766	13,986	8,428
(ii) Administration	96,104	87,371	68,866
(iii) Selling & distribution	9,578	2,213	1,726
(iv) Financial	93,952	94,682	68,479
	212,400	198,252	147,499

(i) Factory Overheads	2012	2011	2010	% Increase / (Decrease)			
				As compared to 2011		As compared to 2010	
				Rs.in '000	Rs. in '000	Rupees	%
Vehicle running expenses	5,213	4,619	3,591	594	13	1,622	45
Repair and maintenance	7,553	8,798	4,359	(1,245)	(14)	3,194	73
Other expenses	-	569	478	(569)	(100)	(478)	(100)
	12,766	13,986	8,428	(1,220)	(9)	4,338	51

– There was no significant variance in factory overheads as compared to last year.

(ii) Administration Overheads	2012	2011	2010	% Increase / (Decrease)			
				As compared to 2011		As compared to 2010	
				Rs.in '000	Rs. in '000	Rupees	%
Salaries, wages & benefits	52,597	49,060	40,533	3,537	7	12,064	30
Rent, rate and taxes	1,182	1,460	846	(278)	(19)	336	40
Insurance	2,691	2,654	1,778	37	1	913	51
Utilities	2,311	2,240	997	71	3	1,314	132
Printing & stationery	1,358	1,018	1,040	340	33	318	31
Postage & telegram	-	-	106	-	-	(106)	(100)
Telephone, fax & telex	1,307	946	788	361	38	519	66
Repair & maintenance	4,492	4,042	2,342	450	11	2,150	92
Travelling & conveyance	7,363	7,099	5,801	264	4	1,562	27
Entertainment	1,618	2,242	1,481	(624)	(28)	137	9
Subscription	1,021	575	935	446	78	86	9
Advertising	-	-	2	-	-	(2)	(100)
Legal & professional charges	2,908	2,441	3,091	467	19	(183)	(6)
Auditors remuneration	630	630	630	-	-	-	-
Charity & donations	2,165	2,340	204	(175)	(7)	1,961	961
Depreciation	3,906	3,195	3,187	711	22	719	23
Others	10,555	7,429	5,105	3,126	42	5,450	107
	96,104	87,371	68,866	8,733	10	27,238	40

– There was increase in administration overheads due to increase in salaries, wages & benefits, telephone, fax & telex, subscription and others as compared to last two years.

(iii) Selling Overheads				% Increase / (Decrease)			
	2012	2011	2010	As compared to 2011		As compared to 2010	
	Rs.in '000	Rs. in '000	Rs. in '000	Rupees	%	Rupees	%
Handling, stacking & others	3,812	2,213	1,726	1,599	72	2,086	121
Export expenses	5,766	-	-	5,766	100	5,766	100
	9,578	2,213	1,726	7,365	333	7,852	455

- There was increase in selling overheads mainly on account of handling & stacking and export expenses as compared to last two years.

(iv) Financial Expenses				% Increase / (Decrease)			
	2012	2011	2010	As compared to 2011		As compared to 2010	
	Rs.in '000	Rs. in '000	Rs. in '000	Rupees	%	Rupees	%
Markup on:							
- Long term financing	2,433	6,142	9,557	(3,709)	(60)	(7,124)	(75)
- Short term borrowings	79,850	75,803	55,904	4,047	5	23,946	43
- Assets subject to finance lease	10,282	10,364	-	(82)	(1)	10,282	100
Bank charges	1,186	1,617	2,632	(431)	(27)	(1,446)	(55)
Interest on WPPF	201	756	386	(555)	(73)	(185)	(48)
	93,952	94,682	68,479	(730)	(1)	25,473	37

- There was no significant variance in financial expenses as compared to last year.

(b) Brief explanation for variance

- Explanations of variances have already been given under the respective heads as shown above.

(c) Basis of allocation of overheads

- The overheads are charged to cost of production.

(d) Cost of Packing

				% Increase / (Decrease)			
	2012	2011	2010	As compared to 2011		As compared to 2010	
	Rs.in '000	Rs. in '000	Rs. in '000	Rupees	%	Rupees	%
- Packing Material (empty polypropylene bags)	17,304	18,935	14,215	(1,631)	(9)	3,089	22

- There was no significant variance in cost of packing material as compared to last two years.

9. ROYALTY / TECHNICAL AID PAYMENTS

NOT APPLICABLE

10. ABNORMAL NON-RECURRING FEATURES

(a) Features affecting production

- None except insufficient availability of sugar cane during the crushing season.

(b) Special expenses

= NONE =

11. COST OF PRODUCTION**White Bagged Sugar**
Production (Tonne)

2012	2011
46,516	47,008

Cost of Production
(See Annexure - I)

2012		2011		Increase / (Decrease)	
Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
1,957,167	42,075	2,519,107	53,589	(11,514)	(21)

Reasons for variance in per tonne cost

- There was decrease in per ton cost of production as compared to last year mainly on account of decrease in sugar cane prices.

12. SALES– **Net Sales Realization**

- (a) Local Sales
(b) Export Sales
Total net sales

2012		2011	
Qty. in Tonne	Rs. in '000	Qty. in Tonne	Rs. in '000
54,361	2,713,415	23,535	1,498,297
5,510	291,846	Nil	Nil
59,871	3,005,261	23,535	1,498,297

a) LOCAL SALES
White Sugar (Tonne)

2012	2011
54,361	23,535

Gross sales
Less:

Federal excise duty / Sales tax
Special excise duty

2012		2011		Increase / (Decrease)	
Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
2,930,312	53,905	1,596,539	67,837	(13,932)	(21)
(216,897)	(3,990)	(81,238)	(3,452)	(538)	16
Nil	Nil	(17,004)	(722)	Nil	Nil
(216,897)	(3,990)	(98,242)	(4,174)	184	(4)

Net local sales

2,713,415	49,915	1,498,297	63,663	(13,748)	(22)
-----------	--------	-----------	--------	----------	------

b) EXPORT SALES
White Sugar (Tonne)

2012	2011
5,510	Nil

Export sales

2012		2011		Increase / (Decrease)	
Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
291,846	52,967	Nil	Nil	Nil	Nil

The export sales was made to Oman, Somalia and Kenya during the year under review.

13. PROFITABILITY / (LOSS)**– Net profit / (loss) before taxation**

	2012		2011	
	Qty. in Tonne	Rs. in '000	Qty. in Tonne	Rs. in '000
(a) Local	54,361	(37,179)	23,535	64,344
(b) Export	5,510	36,755	Nil	Nil
Net profit / (loss) before taxation	59,871	(424)	23,535	64,344

- The company incurred net loss of Rs. 0.424 million as against profit of Rs. 64.344 million in the previous year due to depressed selling prices.

a) LOCAL

White Sugar (Tonne)

2012	2011
54,361	23,535

	2012		2011		Increase / (Decrease)	
	Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
Net sales	2,713,415	49,915	1,498,297	63,663	(13,748)	(22)
Less:						
Cost of production	1,725,333	42,075	2,519,107	53,589	(11,514)	(21)
Inv. adjustment (Finished goods)	852,582	-	(1,266,766)	-	-	-
Cost of goods sold	2,577,915	47,422	1,252,341	53,212	(5,790)	(11)
Gross profit	135,500	2,493	245,956	10,451	(7,958)	(76)
Less:						
Selling expenses	3,812	70	2,213	94	(24)	(26)
Admin. expenses	87,259	1,605	87,371	3,712	(2,107)	(57)
Financial charges	85,305	1,569	94,682	4,023	(2,454)	(61)
Other charges	-	-	4,769	203	(203)	(100)
Other income	(3,698)	(68)	(7,423)	(315)	247	(78)
	172,679	3,177	181,612	7,717	(4,540)	(59)
Profit / (loss) before taxation	(37,179)	(684)	64,344	2,734	(3,418)	(125)

a) EXPORT

White Sugar (Tonne)

2012	2011
5,510	Nil

	2012		2011		Increase / (Decrease)	
	Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
Net sales	291,846	52,967	Nil	Nil	Nil	Nil
Less: Cost of production	231,834	42,075	Nil	Nil	Nil	Nil
Gross profit	60,012	10,891	Nil	Nil	Nil	Nil
Less:						
Selling expenses	5,766	1,046	Nil	Nil	Nil	Nil
Admin. expenses	8,845	1,605	Nil	Nil	Nil	Nil
Financial charges	8,647	1,569	Nil	Nil	Nil	Nil
	23,257	4,221	Nil	Nil	Nil	Nil
Profit before taxation	36,755	6,671	Nil	Nil	Nil	Nil

14. COST AUDITORS' OBSERVATIONS AND CONCLUSIONS

(a) Matters which appear to him to be clearly wrong in principle or apparently unjustifiable.

- No such matters have so far come to our notice during the year under review except increase in trade debts at Rs. 317.421 million as against Rs. 12.425 million last year with corresponding effect on bank borrowing which also increased to Rs. 428.420 million as against Rs. 355.274 million last year.

It has adversely affected financial cost leaving an adverse affect on the profitability of the company.

(b) Cases where the company funds have been used in a negligent or inefficient manner.

= N O N E =

(c) Factors which could have been controlled but have not been done resulting in increase in the cost of production.

- Availability of sugar cane remains the limiting factor in production which is beyond the control of management.

(d) (i) The Adequacy or otherwise of Budgetary Control System, if any, in vogue in the company.

- The Company has the budgetary control system.

(ii) The scope and performance of Internal Audit, if any.

- A full fledged internal audit department has been established by the company. The audit findings are reported to the top management and corrective measures are adopted wherever necessary.

(e) Suggestions for improvements in performance.

(i) rectification of general imbalance in production facilities

- The mill is running smoothly with the existing facilities.

(ii) fuller utilisation of installed capacity

- Fuller utilisation of installed capacity rests on availability of sugar cane during the year under review.

(iii) Comments on areas offering scope for

(a) Cost reduction

- Cost reduction may be achieved by operating the plant at higher capacity to achieve savings in overhead cost.

(b) Increased productivity

- It depends on the availability of sugar cane in sufficient quantity to utilize the full capacity of the plant.

(c) Key limiting factors causing production bottle necks

- Non-availability of sugar cane in sufficient quantity is the hurting factor in the production.

(d) Improved inventory policies

- Present inventory policies are satisfactory.

(e) Energy conservancy

- Bagasse is the cheapest source of fuel, which is being used to the maximum extent.

(iv) *State of technology, whether modern or obsolete.*

- Modern technology having defecation, melt and phosphitation process.

(v) *Plant, whether new or second hand when installed.*

- The plant was new when installed in 1988. It has completed approximately twenty four years of its useful life.

15 RECONCILIATIONS WITH FINANCIAL STATEMENTS

After the auditor appointed under section 252 of Companies Ordinance, 1984, submits his report, the cost auditor shall submit a supplementary report on reconciliation with financial accounts, to the directors before the date fixed for holding the annual general meeting of the company.

- Cost accounts are in agreement with audited financial accounts of the company for the year ended Sept. 30, 2012. A reconciliation statement is annexed herewith.

16. COST STATEMENTS

Copies of all cost statements on the formats prescribed by Securities and Exchange Commission of Pakistan under clause (e) of sub-section (1) of section 230 of the Companies Ordinance, 1984, duly authenticated by the Chief Executive and Chief Financial Officer of the company, and verified by us are appended to the report.

17. MISCELLANEOUS

Figures have been rounded off to nearest thousand. Previous year's figures have been re-arranged and regrouped where necessary to facilitate comparison.

SIDDIQI & COMPANY
Cost & Management Accountants

**Reconciliation of Cost of Sales
between
Cost Accounts with Audited Financial Accounts**

For the year ended September 30, 2012

	2012 Rs. in '000
Cost of sales (as per cost accounts)	<u>2,809,749</u>
Cost of sales (as per financial accounts)	<u>2,809,749</u>

Cost accounts are in agreement with audited financial accounts of the company for the year ended September 30, 2012.

SANGHAR SUGAR MILLS LIMITED

101-First Floor, Ocean Centre, Talpur Road, Karachi.
Phone # (021) 32427171-72, Fax # (021) 32410700

STATEMENT OF CAPACITY UTILIZATION [under Rule 4(1)(a) of Companies (Audit of Cost Accounts), Rule 1998] As at September 30, 2012 as compared with September 30, 2011

CANE CRUSHING CAPACITY

Season / Year	Licensed and Installed Capacity			Actual Capacity Utilization			Capacity Utilization
	No. of Days	Tons Per Day	Crushing Tons	No. of Days	Tons Per Day	Crushing Tons	%
Year 2011-2012	109	6,000	654,000	102	4,739	483,352	74%
Year 2010-2011	117	6,000	702,000	99	4,962	491,205	70%

REASONS FOR SHORTFALL:

- The actual production is lower than installed capacity on account of short availability of sugar cane during the crushing season.

Chief Executive

Chief Financial Officer

Karachi: 24 JAN 2013

SANGHAR SUGAR MILLS LIMITED

101-First Floor, Ocean Centre, Talpur Road, Karachi.

Phone # (021) 32427171-72, Fax # (021) 32410700

STATEMENT OF STOCK-IN-TRADE

[Under Rule 4(1)(b) of Companies (Audit of Cost Accounts), Rule 1998]

As at September 30, 2012 as compared with September 30, 2011

	2011 - 2012		2010 - 2011	
	Quantity	Rs. in '000	Quantity	Rs. in '000
1. Sugar				
– Finished	11,832	497,147	25,187	1,349,729
– In Process	55	1,156	72	3,859
		498,303		1,353,588
2. Molasses				
– In Process	24	175	36	326
3. Baggasse	5,000	1,445	7,000	2,023
TOTAL		499,923		1,355,937

NOTES:-

01. In terms of clause 3(2) of Companies (Audit of Cost Accounts) Rules, 1998 (SRO: 846/(1)/98) dt. July 24, 1998, the Cost Auditors were appointed by the directors with the prior approval of Securities & Exchange Commission of Pakistan within sixty days of the close of financial year of the company.
02. In view of the above mentioned constrains appointing the Cost Auditors after the close of the financial year; the cost auditors were not present on the date of physical stock taking as of the close of the financial year. Under these circumstances, the physical stock taking carried out and as shown in the financial accounts were relied upon for the purpose of the above mentioned statement of stock in trade [under clause (4)(1)(b) of Companies (Audit of Cost Accounts) Rules, 1998].

Chief Executive

Chief Financial Officer

Karachi: 24 JAN 2013

SANGHAR SUGAR MILLS LIMITED

PRODUCTION DATA FOR THE YEAR ENDED 30 SEPTEMBER 2012

Schedule-1

S.NO	PARTICULARS	2011 - 2012	2010 - 2011
1	2	3	4
1	(a) CANE CRUSHED		
	DATE STARTED .	25 November 2011	22 November 2010
	DATE FINISHED.	12 March 2012	18 March 2011
	DURATION OF RUN DAYS.	109	117
	TOTAL DAYS OF ACTUAL CRUSHING	102	99
	TOTAL NUMBER OF HOURS IN DURATION	2,616	2,808
	TOTAL NUMBER OF HOURS OF ACTUAL CRUSHING	2,450:25	2,377:10
	TOTAL NUMBER OF HOURS LOST	149:35	415:50
	TOTAL CANE MILLED (TONS)	483,352.364	491,205.416
	CONVERTED MAUNDS	12,083,809.000	12,280,135.000
	TOTAL MIXED JUICE OBTAINED (TONS)	538,620.971	527,558.570
	(b) GUR MELTED:	NIL	NIL
	(c) IMPORTED SUGAR PROCESSED:	NIL	NIL
2	JUICE & ADDED WATER:		
	AVERAGE MIXED JUICE % CANE	111.434	107.400
	AVERAGE ADDED WATER % CANE	43.568	40.505
3	SUGAR MADE:		
	TOTAL SUGAR BAGGED OF ALL GRADES (100KG)	NIL	NIL
	TOTAL SUGAR BAGGED OF ALL GRADES (50KG)	930,310	940,156
	SUGAR BAGGED (TONS)	46,516	47,008
	SUGAR IN PROCESS (TONS)	55.003	72.006
4	MOLASSES EXTRACTED:		
	TOTAL MOLASSES SENT OUT (TONS)	25,930.000	23,625.000
	MOLASSES IN PROCESS (TONS)	24.167	35.652
5	RECOVERY PERCENT:		
	LABORATORY TEST PERCENTAGE RECOVERY OF SUGAR CANE	9.620	9.570
	AVERAGE RECOVERY OF MARKETABLE WHITE SUAGR % CANE	9.620	9.570
	AVERAGE PRODUCTION OF FINAL MOLASSES % CANE	5.362	4.810
6	BY PRODUCTS:		
	BAGASSE % CANE (CALCULTED) (TONS)	159,506	162,098
	V.F.CAKE % CANE	3.000	3.000
7	CLARIFICATION PROCESS:		
	SPECIFY THE PROCESS USED BY THE MILL	Defecation, Melt, Phosphitation	

Chief Executive

Chief Financial Officer

Karachi: 24 JAN 2013

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING COST OF PRODUCTION AND SALE OF WHITE BAGGED SUGAR FOR THE YEAR ENDED 30 SEPTEMBER 2012

Annexure-I

QUANTITATIVE DATA - BAGGED SUGAR	2011 – 2012	2010 – 2011
OPENING STOCK (TONNE)	25,187	1,714
PRODUCTION (TONNE)	46,516	47,008
CLOSING STOCK (TONNE)	11,832	25,187
SALES (TONNE)	59,871	23,535

S.NO	PARTICULARS	2011 – 2012		2010 – 2011	
		RUPEES IN '000	COST PER TON OF SUGAR	RUPEES IN '000	COST PER TON OF SUGAR
1	2	3	4	5	6
1	RAW MATERIAL :				
	a) SUGAR CANE (ANNEX-III)	1,944,596	41,805	2,534,468	53,916
	b) BEET (ANNEX-IV)	-		-	
	c) GUR	-		-	
	d) IMPORTED SUGAR FOR PROCESSING	-		-	
	e) PROCESS MATERIAL (ANNEX-V)	7,102	153	6,056	129
	Total	1,951,698	41,958	2,540,524	54,045
2	SALARIES/WAGES BENEFITS (ANNEX-VI)	53,517	1,151	51,956	1,105
3	CONSUMABLE STORES	49,677	1,068	50,396	1,072
4	REPAIRS AND MAINTENANCE	-	-	-	-
5	UTILITIES	-	-	-	-
	STEAM (ANNEX-VII)	11,473	247	14,235	303
6	ELECTRIC POWER (ANNEX-VIII)	64,889	1,395	74,458	1,584
7	WATER & GAS	-	-	-	-
8	INSURANCE	7,264	156	7,400	157
9	DEPRECIATION	30,648	659	21,243	452
10	OTHER FACTORY OVER HEAD (ANNEX-IX)	6,383	137	6,993	149
11	TOTAL COST	2,175,549	46,770	2,767,205	58,867
12	ADD: OPENING STOCK OF W.I.P.	3,859	-	3,457	-
13	LESS CLOSING STOCK OF W.I.P	(1,156)	-	(3,859)	-
14	TOTAL COST OF GOODS MANUFACTURING	2,178,252	46,829	2,766,803	58,858
15	LESS REALISABLE VALUE OF BY PRODUCTS				
	MOLASSES	(192,292)	(4,134)	(219,785)	(4,676)
	BAGASSE	(46,097)	(991)	(46,846)	(997)
	OTHERS	-	-	-	-
16	NET COST OF GOODS MANUFACTURING	1,939,863	41,704	2,500,172	53,186
17	ADD PACKING MATERIAL AND HANDLING	17,304	372	18,935	403
18	NET COST OF BAGGED SUGAR	1,957,167	42,076	2,519,107	53,589
19	ADD: EXCISE DUTY / SALES TAX	-	-	-	-
20	TOTAL COST OF BAGGED SUGAR	1,957,167	42,076	2,519,107	53,589
21	ADD: OPENING STOCK OF SUGAR	1,349,729	-	82,963	-
22	LESS: CLOSING STOCK OF SUGAR	(497,147)	-	(1,349,729)	-
23	COST OF SALES	2,809,749	46,930	1,252,341	53,212
24	ADMINISTRATIVE EXPENSES (ANNEX-X)	96,104	1,605	87,371	3,712
25	SELLING AND DISTRIBUTION EXP (ANNEX-XI)	9,578	160	2,213	94
26	FINANCIAL EXPENSES	93,952	1,569	94,682	4,023
27	OTHER CHARGES / (INCOME)	(3,698)	(62)	(2,654)	(113)
	TOTAL COST TO MAKE AND SELL	3,005,685	50,203	1,433,953	60,929

Chief Executive

Chief Financial Officer

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING COST OF SUGAR CANE PRODUCED FOR THE YEAR ENDED 30 SEPTEMBER 2012

Annexure-II

S. No.	Particulars	2011-2012		2010-2011	
		Quantity (Rs.)	Rupees in '000	Quantity (Rs.)	Rupees in '000
1.	Seeds and Other Inputs Seed Fertilizers, herbicides etc. Insecticides Abiana / Water Charges Total Cost of Inputs				
2.	Labour Land preparation Plantation Maintenance of cane crop / ratoons Operation of tractors Harvesting Total Labour Cost				
2.	Other Cost Fuel for tractors operation Maintenance and over haul of tractors Insurance Interest expenses Depreciation of equipments Rent of agriculture equipments (if any) Total other costs Total Cost of own production (1 + 2 + 3) Sales value at controlled price Profit / Loss on own production				

NOT APPLICABLE

Notes:

1. This Annexure will be prepared by those enterprises which cultivate sugarcane on their own farms.
2. Similar Annexure will be prepared by those enterprises which cultivate beet on their own farms.

Chief Executive

Chief Financial Officer

SANGHAR SUGAR MILLS LIMITED

**STATEMENT SHOWING COST OF SUGAR CANE CRUSHED
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

Annexure-III

S.NO	PARTICULARS	2011 - 2012			2010 - 2011		
		QUANTITY M.TONS	RATE RS/ M.TON	RUPEES IN '000	QUANTITY M.TONS	RATE RS/ M.TON	RUPEES IN '000
1	2	3	4	5	6	5	6
1	TOTAL SUGAR CANE PURCHASED AT GOVT. FIXED RATE						
	SUGAR CANE PURCHASED AT DIFFERENT RATES	483,352	3,868	1,869,591	491,205	5,007	2,459,288
	SUGAR CANE PRODUCED FROM OWN FARM (Annex-II)	-	-	-	-	-	-
	LESS: LOSS IN TRANSIT	-	-	-	-	-	-
	SUGAR CANE RECEIVED AT FACTORY GATE	483,352	3,868	1,869,591	491,205	5,007	2,459,288
2	COMMISSION	-	-	-	-	-	-
3	QUALITY PREMIUM	483,352	115	55,586	491,205	109	53,419
4	LOADING / UNLOADING CHARGES	483,352	3	1,372	491,205	3	1,241
5	CANE DEVELOPMENT EXPENSES						
	a) SALARIES/WAGES OF SUPPLY & DEVELOP (Annex-VI)	483,352	14	6,723	491,205	12	6,003
	b) SUGAR CANE DEVELOPMENT RESEARCH	483,352	0	240	-	-	-
	c) SUPPLY STAFF & TRANSPORTATION EXPENSES	-	-	-	-	-	-
	d) OTHER EXPENDITURE	-	-	-	-	-	-
6	TAXES AND LEVIES :						
	a) CANE CESS / PURCHASE TAX	-	-	-	-	-	-
	b) MARKET COMMITTEE FEE	483,352	10	4,833	491,205	7	3,379
	c) ROAD CESS	483,352	6	3,020	491,205	6	3,070
	d) OCTROI	-	-	-	-	-	-
	e) OTHER LEVIES	-	-	-	-	-	-
7	TRANSPORTATION CHARGES:						
	a) DELIVERY EXPENSES	-	-	-	-	-	-
	b) TRANSPORT SUBSIDY	483,352	5	2,263	491,205	15	7,127
	c) OTHERS	-	-	-	-	-	-
8	OTHER EXPENDITURES AT CANE COLLECTION CENTERS						
	a) SALARIES AND WAGES (Annex-VI)	483,352	2	968	491,205	2	941
	b) STORES	-	-	-	-	-	-
	c) REPAIRS AND MAINTENANCE	-	-	-	-	-	-
	d) OTHERS	-	-	-	-	-	-
	TOTAL COST OF SUGARCANE TRANSFERRED TO PRODUCTION PROCESS (ANNEX-I)	483,352	4,023	1,944,596	491,205	5,160	2,534,468

Chief Executive

Chief Financial Officer

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING COST OF BEET CONSUMED FOR THE YEAR ENDED 30 SEPTEMBER 2012

Annexure-IV

S. No.	Particulars	2011-2012			2010-2011		
		Quantity in Tonne	Cost per Tonne	Rupees in '000	Quantity in Tonne	Cost per Tonne	Rupees in '000
1.	Total beet purchased at Govt. fixed rate Less : Loss in transit Beet received at factory gate						
2.	Commission paid						
3.	Loading / Unloading						
4.	Beet development expenses						
	a) Salaries & Wages of Supply & Development Staff						
	b) Sugar Cane Development Research						
	c) Supply Staff & transportation expenses						
	d) Other expenditure						
5.	Taxes & Levies (if any):						
	a) Purchase Tax						
	b) Market Committee Fee						
	c) Road Cess						
	d) Freight handling and Octroi						
	e) Other levies						
7.	Transportation Charges:						
	a) Delivery expenses / travelling from purchases centre to mill gate						
	b) Transport subsidy						
	c) Others						
8.	Other Expenditure at Beet						
	Collection Centers:						
	a) Salaries and Wages						
	b) Stores						
	c) Repairs & Maintenance						
	d) Sector Office Rent						
	e) Sector Office expenses						
9.	Total Cost of 'BEET' transferred						
	to production processe (Annexure - I)						

NOT APPLICABLE

Chief Executive

Chief Financial Officer

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING COST OF PROCESS MATERIAL CONSUMED FOR THE YEAR ENDED 30 SEPTEMBER 2012

Annexure-V

S.NO	PARTICULARS	2011 - 2012		2010 - 2011	
		RUPEES IN '000	COST PER TON OF SUGAR	RUPEES IN '000	COST PER TON OF SUGAR
1	2	3	4	5	6
	TOTAL SUGAR PRODUCED (TONNE)	46,516		47,008	
1	ALUM	-	-	-	-
2	ANTI FOAM	45	0.97	20	0.43
3	BLANKET POWDER	-	-	-	-
4	BLEACHING POWDER	268	5.76	418	8.89
5	CAUSTIC SODA	1,100	23.65	658	14.00
6	CLEANING BRUSHES	-	-	-	-
7	COMMON SALT	-	-	-	-
8	DECALITE	-	-	-	-
9	ERICHROME BLOCK T	-	-	-	-
10	FILTER CLOTH	-	-	-	-
11	FILTER PAPER	-	-	-	-
12	FORMALINE	1	0.02	8	0.17
13	HYDROCHLORIC ACID	3	0.06	3	0.06
14	HYDROZINE HYDRATE	-	-	-	-
15	LABORATORY CHEMICALS	-	-	-	-
16	LEAD SUB ACITATE	50	1.07	43	0.91
17	LUBRICANT AND GREASE	-	-	-	-
18	MYTHYLATED SPIRIT	178	3.83	199	4.23
19	PENVOL VISC AID	54	1.16	81	1.72
20	PHENOL PHTHALINE	-	-	-	-
21	PHOSPHORIC ACID	1,912	41.10	1,879	39.97
22	POLYELECTIOLITE (PRESTOL)	764	16.42	523	11.13
23	POTASSIUM FERROCYNIDE	-	-	-	-
24	RECTIFIED SPIRIT	-	-	-	-
25	ROCK SALT	13	0.28	13	0.28
26	SEWING THREAD	-	-	-	-
27	SODA ASH	139	2.99	170	3.62
28	SODIUM NITRATE	-	-	-	-
29	SODIUM SULPHATE	-	-	-	-
30	SOFTINO TREAT	-	-	-	-
31	SOLNEX	-	-	-	-
32	TRI SODIUM PHOSPHATE	52	1.12	21	0.45
33	UNSLACKED LIME	2,523	54.24	1,974	41.99
34	ZONA FLOC	-	-	-	-
35	METHYLENE BLUE	-	-	21	0.45
36	URANYLE ACETATE	-	-	25	0.53
37	OTHER (SPECIFY) CHEMOTEK	-	-	-	-
	TOTAL	7,102	152.68	6,056	128.83
	TRANSFERD TO PRODUCTION PROCESS ANNEXURE-I	7,102	152.68	6,056	128.83

Chief Executive

Chief Financial Officer

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING COST OF SALARIES, WAGES BENEFITS FOR THE YEAR ENDED 30 SEPTEMBER 2012

Annexure-VI

S.NO	PARTICULARS	2011 - 2012		2010 - 2011	
		RUPEES IN '000	COST PER TON OF SUGAR	RUPEES IN '000	COST PER TON OF SUGAR
1	2	3	4	5	6
	TOTAL SUGAR PRODUCED (TONNE)	46,516		47,008	
	COST:				
1	SALARIES / WAGES				
1	OFFICERS AND PERMANENT STAFF	70,026	1,505	63,017	1,341
2	DAILY RATED, SEASONAL/CONTRACT LABOUR	22,227	478	20,412	434
3	BONUSES	18,957	408	16,132	343
2	BENEFITS				
1	MEDICAL EXPENSES	-	-	763	16
2	WELFARE, RECREATION	459	10	716	15
3	EDUCATION CESS	18	0	32	1
4	GROUP INSURANCE EXPENSES	-	-	-	-
5	WORKMEN COMP. INSURANCE	-	-	-	-
6	P.F. (EMPLOYERS CONTRIBUTION)	-	-	-	-
7	GRATUITY / PENSION	8,529	183	7,002	149
8	E.O.A.B.I.	1,880	40	2,147	46
9	WORKERS WELFARE FUND	60	1	52	1
10	LEAVE ENCASHMENT	616	13	589	13
11	DEATH COMPENSATION	10	0	10	0
12	CHARITY DISPENSARY	638	14	899	19
13	OTHER BENEFITS (IF ANY)	3,042	65	6,742	143
	TOTAL	126,462	2,719	118,513	2,521
	LESS: ALLOCATED TO:				
	a) ELECTRICITY GENERATION (Annex-VIII)	4,317	93	3,558	76
	b) STEAM GENERATION (Annex-VII)	8,340	179	6,995	149
	c) RAW MATERIAL (Annex-III)	7,691	165	6,944	148
	d) ADMIN EXPENSES (Annex-X)	52,597	1,131	49,060	1,044
	e) SELLING & DISTRIB. EXP. (Annex-XI)	-	-	-	-
	f) FACTORY OVERHEAD (Annex-IX)	-	-	-	-
		-	-	-	-
	BALANCE TRANSFERD TO PRODUCTION PROCESS ANNEXURE-1	53,517	1,151	51,956	1,105

Chief Executive

Chief Financial Officer

SANGHAR SUGAR MILLS LIMITED

**STATEMENT SHOWING COST OF STEAM / GENERATED CONSUMED
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

Annexure-VII

S.NO	PARTICULARS	UNIT	2011-2012	2010-2011	VARIANCE	Remarks
1	2	3	4	5	6	7
1	TYPES OF STEAM BOILERS USED		WATER TUBE, BAGASSE AND OIL FIRE			
2	NO. OF DAYS WORKED		102	99		
3	INSTALLED CAPACITY (STEAM IN TONNE PER HOUR)		170	170		1 boiler of 80 tons 2 boilers of 45 tons each
4	UTILISED CAPACITY (STEAM IN TONNE PER HOUR)		125	134		Under-utilization of boilers is due to non-availability of cane.
5	PRODUCTION:					
	a) HIGH PRESSURE STEAM		NIL	NIL		
	b) MEDIUM PRESSURE STEAM		305,268	320,574		
	c) LOW PRESSURE STEAM		-	-		
	d) LESS: TRANSIT LOSSES		12,211	12,823		
	e) TOTAL		293,057	307,751		
6	PERCENTAGE OF CAPACITY UTILIZATION (4/3 * 100)	%	74	79		

S.NO	PARTICULARS OF COST OF STEAM	2011 - 2012			2010 - 2011		
		QUANTITY	RATE PER UNIT RS	RUPEES IN '000	QUANTITY	RATE PER UNIT RS	RUPEES IN '000
1	2	3	4	5	6	7	8
1	WATER (TONNE)	293,057	0.71	207	307,751	0.75	232
2	FUELS:						
	a) BAGASSE:						
	i) OWN (TONNE)	293,057	100.58	29,476	307,751	117.99	36,313
	ii) PURCHASED (TONNE)	-	-	-	-	-	-
	b) PITH	-	-	-	-	-	-
	c) COAL PURCHASED	-	-	-	-	-	-
	d) FURNACE OIL (TONNE)	-	-	-	307,751	18.14	5,584
	e) FIRE WOOD (TONNE)	293,057	0.00	1	307,751	0.04	11
	f) GAS	-	-	-	-	-	-
	g) OTHER FUELS (IF ANY SPECIFY)	-	-	-	-	-	-
3	QUANTITY OF WASTE HEAT FROM THE PLANT IF ANY	-	-	-	-	-	-
4	CONSUMABLE STORES	293,057	4.22	1,237	307,751	9.07	2,790
5	DIRECT SALARIES, WAGES AND BENEFITS (Annex-VI)	293,057	28.46	8,340	307,751	22.73	6,995
6	REPAIRS AND MAINTENANCE	293,057	2.14	628	307,751	1.07	330
7	OTHER DIRECT EXP. (Bagasse Removal Expenses)	293,057	8.26	2,420	307,751	6.53	2,010
8	INSURANCE	293,057	2.75	807	307,751	2.67	822
9	DEPRECIATION	293,057	13.07	3,831	307,751	11.65	3,586
10	OVERHEADS (Annex-IX)	293,057	10.02	2,936	307,751	10.45	3,217
	TOTAL COST OF STEAM RAISED	293,057	170.22	49,883	307,751	201.10	61,890
	LESS: OUTSIDE SALE	-	-	-	-	-	-
11	TOTAL COST OF STEAM FOR SELF CONSUMPTION	293,057	170.22	49,883	307,751	201.10	61,890
12	ADD: COST OF STEAM PURCHASED	-	-	-	-	-	-
13	TOTAL COST OF STEAM CONSUMED	293,057	170.22	49,883	307,751	201.10	61,890
	ALLOCATION						
	TOTAL OF ITEM 13 ALLOCATED TO						
	i) WHITE BAGGED SUGAR (Annex-I)	67,403	170.22	11,473	70,784	201.10	14,235
	ii) ELECTRIC POWER HOUSE (Annex-VIII)	225,654	170.22	38,410	236,967	201.10	47,655
	iii) OTHERS:						
	a) STAFF COLONY	-	-	-	-	-	-
	b) OFFICE BUILDING ETC.	-	-	-	-	-	-
	TOTAL	293,057	170.22	49,883	307,751	201.10	61,890

Chief Executive

Chief Financial Officer

SANGHAR SUGAR MILLS LIMITED

**STATEMENT OF COST OF ELECTRIC POWER PURCHASED / GENERATED AND CONSUMED
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

Annexure-VIII

S.NO	PARTICULARS	2011 – 2012	2010 – 2011	VARIANCE
1	INSTALLED CAPACITY (KWH)	10,270	10,270	
2	NO OF UNITS GENERATED (KWH)			
	– TURBINE	15,371,951	17,165,639	
	– DIESEL GENERATOR	68,424	98,236	
3	NO OF UNITS PURCHASED (KWH)	295,133	242,167	
4	TOTAL (2+3)	15,735,508	17,506,042	
5	CONSUMPTION IN POWER HOUSE INCLUDING OTHER LOSSES	1,565,683	1,729,597	
6	NET UNITS CONSUMED (4-5)	14,169,825	15,776,445	
7	PERCENTAGE OF CONSUMPTION AND LOSSES TO TOTAL UNITS. (%)	9.95	9.88	
8	AVAILABLE = (5/4) / 100 (%)	90	90	
9	PERCENTAGE OF POWER GENERATED TO INSTALLED CAPACITY (2/1) / 100 (%)	61	71	

S.NO	PARTICULARS OF COST OF ELECTRIC POWER	2011 – 2012			2010 – 2011		
		QUANTITY	RATE PER M.TON RS	RUPEES IN '000	QUANTITY M.TON	RATE PER M.TON RS	RUPEES IN '000
1	2	3	4	5	6	7	8
1	STEAM (Annex-VII)	14,169,825	2.71	38,410	15,776,445	3.02	47,655
2	CONSUMABLE STORES	14,169,825	0.51	7,226	15,776,445	0.41	6,525
3	SALARIES AND WAGES (Annex-VI)	14,169,825	0.30	4,317	15,776,445	0.23	3,558
4	OTHER DIRECT EXPENSES (Inspection Fee)	-	-	-	-	-	-
5	REPAIRS AND MAINTENANCE	14,169,825	0.01	131	15,776,445	0.10	1,635
6	DUTY ON ELECTRICITY (KWH)	14,169,825	0.01	124	15,776,445	0.01	138
7	DIESEL FOR GENERATOR (KWH)	14,169,825	0.21	2,976	15,776,445	0.26	4,053
8	DEPRECIATION	14,169,825	0.27	3,831	15,776,445	0.17	2,759
9	OVERHEADS (Annex-IX)	14,169,825	0.24	3,447	15,776,445	0.24	3,776
	TOTAL	14,169,825	4.27	60,462	15,776,445	4.44	70,099
10	LESS: a) CREDIT FOR EXHAUST STEAM USED IN PROCESS ETC.	-	-	-	-	-	-
	b) OTHER CREDITS (IF ANY)	-	-	-	-	-	-
11	COST OF POWER GENERATED (KWH)	14,169,825	4.27	60,462	15,776,445	4.44	70,099
12	LESS: COST OF POWER SOLD/SELF CONSUMED/LOSSES	-	-	-	-	-	-
13	ADD: COST OF POWER PURCHASED (KWH)	295,133	15.00	4,427	242,167	18.00	4,359
14	TOTAL NET COST OF POWER CONSUMED (KWH)	14,464,958	4.49	64,889	16,018,612	4.65	74,458
	TOTAL AT ITEM 14 ALLOCATED TO :-						
	I) WHITE BAGGED SUGAR	12,747,967	4.49	57,187	14,117,356	4.65	65,621
	II) SELF CONSUMPTION	1,716,991	4.49	7,702	1,901,256	4.65	8,837
	III) OTHERS:						
	a) STAFF COLONY	-	-	-	-	-	-
	b) OFFICE BUILDING	-	-	-	-	-	-
	c) OTHER (SPECIFY)	-	-	-	-	-	-
	TOTAL - TRANSFER TO ANNEX-I	14,464,958	4.49	64,889	16,018,612	4.65	74,458

Chief Executive

Chief Financial Officer

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING OTHER FACTORY OVERHEADS FOR THE YEAR ENDED 30 SEPTEMBER 2012

Annexure-IX

S.NO	PARTICULARS	2011 – 2012		2010 – 2011	
		RUPEES IN '000	COST PER TON OF SUGAR	RUPEES IN '000	COST PER TON OF SUGAR
1	2	3	4	5	6
	TOTAL SUGAR PRODUCED (TONNE)	46,516		47,008	
	COST:				
1	RENT, RATE AND TAXES	-	-	-	-
2	PRINTING AND STATIONERY	-	-	-	-
3	POSTAGE AND TELEGRAM	-	-	-	-
4	TELEPHONE, FAX AND TELEX	-	-	-	-
5	TRAVELING & CONVEYANCE	-	-	-	-
6	SUBSCRIPTION BOOKS,PERIODICALS	-	-	-	-
7	VEHICLE RUNNING EXPENSES	5,213	112	4,619	98
8	REPAIRS & MAINTENANCE	7,553	162	8,798	187
9	FIRE FIGHTING	-	-	-	-
10	OTHER EXPENSES	-	-	569	12
11	TOTAL	12,766	274	13,986	298
	ALLOCATED TO :				
	a) WHITE BAGGED SUGAR (Annex-I)	6,383	137	6,993	149
	b) ELECTRIC POWER HOUSE (Annex-VIII)	3,447	74	3,776	80
	c) STEAM GENERATION (Annex-VII)	2,936	63	3,217	68
	d) OTHERS :				
	a) STAFF COLONY	-	-	-	-
	b) OFFICE BUILDING ETC.	-	-	-	-
	TOTAL AS PER ITEM 12 ABOVE	12,766	274	13,986	298

Chief Executive

Chief Financial Officer

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 30 SEPTEMBER 2012

Annexure-X

S.NO	PARTICULARS	2011 – 2012		2010 – 2011	
		RUPEES IN '000	COST PER TON OF SUGAR	RUPEES IN '000	COST PER TON OF SUGAR
1	2	3	4	5	6
1	TOTAL SUGAR SOLD (TONNE)	59,871		23,535	
2	COST:				
	SALARIES, WAGES AND BENEFITS (Annex-VI)	52,597	879	49,060	2,085
	RENT, RATE AND TAXES	1,182	20	1,460	62
	INSURANCE	2,691	45	2,654	113
	WATER, GAS AND ELECTRICITY	2,311	39	2,240	95
	PRINTING AND STATIONERY	1,358	23	1,018	43
	TELEPHONE, FAX AND TELEX	1,307	22	946	40
	REPAIR AND MAINTENANCE	4,492	75	4,042	172
	TRAVELING & CONVEYANCE	7,363	123	7,099	302
	SUBSCRIPTION, BOOKS & PERIODICAL	1,021	17	575	24
	ENTERTAINMENT	1,618	27	2,242	95
	LEGAL & PROFESSIONAL EXPENSES	2,908	49	2,441	104
	AUDITORS REMUNERATION	630	11	630	27
	CHARITY AND DONATION	2,165	36	2,340	99
	DEPRECIATION	3,906	65	3,195	136
	OTHERS	10,555	176	7,429	316
	TOTAL	96,104	1,605	87,371	3,712

Chief Executive

Chief Financial Officer

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING SELLING EXPENSES FOR THE YEAR ENDED 30 SEPTEMBER 2012

Annexure-XI

S.NO	PARTICULARS	2011 – 2012		2010 – 2011	
		RUPEES IN '000	COST PER TON OF SUGAR	RUPEES IN '000	COST PER TON OF SUGAR
1	2	3	4	5	6
1	TOTAL SUGAR SOLD (TONNE)	59,871		23,535	
2	COST:				
	SALARIES, WAGES AND BENEFITS (Annex-VI)	-	-	-	-
	TRAVELING AND CONVEYANCE	-	-	-	-
	COMMISSION	-	-	-	-
	FREIGHT OUTWARD	-	-	-	-
	STACKING / RESTACKING & OTHERS	3,812	64	2,213	94
	LOADING / UNLOADING	-	-	-	-
	EXPORT EXPENSES	5,766	96	-	-
	VEHICLE RUNNING EXPENSES	-	-	-	-
	ADVERTISING FOR SALES PROMOTION	-	-	-	-
	BROKERAGE & COMMISSION	-	-	-	-
	TOTAL	9,578	160	2,213	94

Chief Executive

Chief Financial Officer

**BOOK POST
PRINTED MATTER**

**UNDER POSTAL
CERTIFICATE**



If undelivered please return to:

Sanghar Sugar Mills Limited

HEAD OFFICE: 101-First Floor, Ocean Centre, Talpur Road, Karachi - Pakistan.
Phone : 021-32427171-72 - 32416554, Fax No : 021-32410700