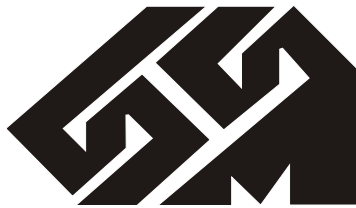

Cost Auditors' Report

For the year ended September 30, 2013



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 28, 2014

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, 2013**

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**

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
2012-2013
SANGHAR SUGAR MILLS LIMITED**

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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, 2013, 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 statements 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
 - Bagasse

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

SIDDIQI & COMPANY

Cost & Management Accountants

Engagement Partner: Wasful Hassan Siddiqi

Karachi: 25 JAN 2014

1. CAPACITY (Tonne)

	Licensed / Installed Capacity	Utilised Capacity	% of Installed Capacity
(a)			
	Year : 2013		
– Crushing capacity (6,000 tonne x 121 working days)	726,000	542,289	75%

(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	
	Y E A R S					
	2013	2012	2013	2012	2013	2012
– Main Product:						
– White Sugar Produced:						
– from sugar cane	72,600	65,400	52,823	46,516	73%	71%
– By Product:						
– Molasses	36,300	32,700	27,460	25,930	76%	79%
– Bagasse	254,100	228,900	178,955	159,506	70%	70%
– V. Filter Cake	21,780	19,620	16,269	14,501	75%	74%

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 3		2 0 1 2	
	Quantity (Tonne)	Rupees in '000	Quantity (Tonne)	Rupees in '000
Sugar Cane (See Annexure - III)	542,289	2,401,905	483,352	1,944,596
Process Material (See Annexure - V)	–	17,172	–	7,102

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

Standard Tonne	Sugar			% Increase / (Decrease) as compared to Standard			
	2013 Tonne	2012 Tonne	2011 Tonne	2013	2012	2011	
	Sugar Cane	10.00	10.27	10.39	10.45	2.66	3.91

Standard : 10.00 tonne sugar cane = 1 tonne sugar

Actual :

Year 2013 : 10.27 tonne sugar cane = 1 tonne sugar

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)			
	2013	2012	2011	As compared to 2012		As compared to 2011	
	Rs. in '000	Rs. in '000	Rs. in '000	Rs. in '000	%	Rs. in '000	%
(i) Direct labour cost on production	83,128	61,208	58,900	21,920	36	24,228	41
(ii) Indirect labour cost on production	13,682	12,657	10,553	1,025	8	3,129	30
(iii) Employees' cost on administration	44,724	52,597	49,060	(7,873)	(15)	(4,336)	(9)
(iv) Employees' cost on selling and distribution	-	-	-	-	-	-	-
(v) Total employees cost (i to iv)	141,534	126,462	118,513	15,072	12	23,021	19
(vi) Bonus to workers and employees already included above employees cost	21,144	18,957	16,132	2,187	12	5,012	31
(vii) Other employees cost	----- N I L -----						

- Salaries, wages & benefits increased due to annual increments as compared to last two years.

(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	
	2013	2012	2013	2012	2013	2012	2013	2012
	----- (Rupees in `000) -----							
Directors' fee	-	-	145	135	-	-	145	135
Managerial remuneration	5,106	4,775	1,236	1,204	5,398	5,320	11,740	11,299
Allwances & others	1,827	1,796	804	781	2,230	2,377	4,861	4,954
	6,933	6,571	2,040	1,985	7,628	7,697	16,601	16,253

Number of persons (including those who worked part of the year)

	1	1	2	2	4	3	7	6
--	---	---	---	---	---	---	---	---

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

(c) Total men-days of direct labour

513 men x 109 days (worked)

513 men x 121 days (available)

	Worked	Available	% Worked
	55,917	62,073	90

(d) Average number of production workers employed

	2013	2012	% Increase/(Decrease)
	513	525	(4%)

(e) Direct labour cost per ton

Sugar (Tonne)

Direct Labour (Rs. in '000)

Direct Labour Cost (Rs. per Tonne)

				Increase / (Decrease)			
	2013	2012	2011	As compared to 2012		As compared to 2011	
					%		%
Sugar (Tonne)	52,823	46,516	47,008	6,307	14	5,815	12
Direct Labour (Rs. in '000)	83,128	61,208	58,900	21,920	36	24,228	41
Direct Labour Cost (Rs. per Tonne)	1,574	1,316	1,253	258	20	321	26

(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)

2013	2012
68,918	65,242
52,823	46,516
1,305	1,403

- 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 13.327 millions which represent 23% of closing inventory as against Rupees 11.541 million representing 19% 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

2013	2012
Rs. in '000	Rs. in '000
36,966	38,310
4,063	3,906
<u>41,029</u>	<u>42,216</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**

	2013	2012	2011
	Rs.in '000	Rs. in '000	Rs.in '000
(i) Factory	23,364	12,766	13,986
(ii) Administration	81,859	96,104	87,371
(iii) Selling & distribution	6,934	9,578	2,213
(iv) Financial	80,309	93,952	94,682
	<u>192,466</u>	<u>212,400</u>	<u>198,252</u>

(i) Factory Overheads				% Increase / (Decrease)			
	2013	2012	2011	As compared to 2012		As compared to 2011	
	Rs.in '000	Rs. in '000	Rs. in '000	Rupees	%	Rupees	%
Vehicle running expenses	9,777	5,213	4,619	4,564	88	5,158	112
Repair and maintenance	6,640	7,553	8,798	(913)	(12)	(2,158)	(25)
Other expenses	6,947	-	569	6,947	100	6,378	1,121
	<u>23,364</u>	<u>12,766</u>	<u>13,986</u>	<u>10,598</u>	<u>83</u>	<u>9,378</u>	<u>67</u>

– There was increase in factory overheads on account of vehicle running and other expenses as compared to last two years.

(ii) Administration Overheads				% Increase / (Decrease)			
	2013	2012	2011	As compared to 2012		As compared to 2011	
	Rs.in '000	Rs. in '000	Rs. in '000	Rupees	%	Rupees	%
Salaries, wages & benefits	44,724	52,597	49,060	(7,873)	(15)	(4,336)	(9)
Rent, rate and taxes	473	1,182	1,460	(709)	(60)	(987)	(68)
Insurance	3,258	2,691	2,654	567	21	604	23
Utilities	769	2,311	2,240	(1,542)	(67)	(1,471)	(66)
Printing & stationery	985	1,358	1,018	(373)	(27)	(33)	(3)
Telephone, fax & telex	828	1,307	946	(479)	(37)	(118)	(12)
Repair & maintenance	319	4,492	4,042	(4,173)	(93)	(3,723)	(92)
Travelling & conveyance	2,318	7,363	7,099	(5,045)	(69)	(4,781)	(67)
Entertainment	525	1,618	2,242	(1,093)	(68)	(1,717)	(77)
Subscription	597	1,021	575	(424)	(42)	22	4
Legal & professional charges	499	2,908	2,441	(2,409)	(83)	(1,942)	(80)
Auditors remuneration	642	630	630	12	2	12	2
Charity & donations	1,226	2,165	2,340	(939)	(43)	(1,114)	(48)
Depreciation	4,063	3,906	3,195	157	4	868	27
Others	20,633	10,555	7,429	10,078	95	13,204	178
	<u>81,859</u>	<u>96,104</u>	<u>87,371</u>	<u>(14,245)</u>	<u>(15)</u>	<u>(5,512)</u>	<u>(6)</u>

– There was no significant variance in administration overheads as compared to last two years.

(iii) Selling Overheads				% Increase / (Decrease)			
	2013	2012	2011	As compared to 2012		As compared to 2011	
	Rs.in '000	Rs. in '000	Rs. in '000	Rupees	%	Rupees	%
Handling, stacking & others	3,112	3,812	2,213	(700)	(18)	899	41
Export expenses	3,822	5,766	-	(1,944)	(34)	3,822	100
	6,934	9,578	2,213	(2,644)	(28)	4,721	213

- There was decrease in selling overheads mainly on account of decrease in export expenses as compared to last year.

(iv) Financial Expenses				% Increase / (Decrease)			
	2013	2012	2011	As compared to 2012		As compared to 2011	
	Rs.in '000	Rs. in '000	Rs. in '000	Rupees	%	Rupees	%
Markup on:							
– Long term financing	-	2,433	6,142	(2,433)	(100)	(6,142)	(100)
– Short term borrowings	69,664	79,850	75,803	(10,186)	(13)	(6,139)	(8)
– Assets subject to finance lease	7,816	10,282	10,364	(2,466)	(24)	(2,548)	100
Bank charges	2,829	1,186	1,617	1,643	139	1,212	75
Interest on WPPF	-	201	756	(201)	(100)	(756)	(100)
	80,309	93,952	94,682	(13,643)	(15)	(14,373)	(15)

- Financial expenses reduced mainly due to retiring of short term borrowings.

(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)			
	2013	2012	2011	As compared to 2012		As compared to 2011	
	Rs.in '000	Rs. in '000	Rs. in '000	Rupees	%	Rupees	%
– Packing Material (empty polypropylene bags)	24,026	17,304	18,935	6,722	39	5,091	27

- Owing to increase in volume of production and increase in cost of packing material the amount increased as compared to last year.

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

- The Company has filed a case in the Honourable High Court of Sindh against the levy of market committee fee by the Government of Sindh on sugarcane purchases at the factory. The Sindh High Court has granted status quo. Full provision of Rs. 34,239 thousands (2012: 28,816 thousands) has been made in the accounts for the year under review, which includes Rs. 5,423 thousands for the current crushing season 2012-2013.

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

2013	2012
52,823	46,516

Cost of Production
(See Annexure - I)

2013		2012		Increase / (Decrease)	
Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
2,425,489	45,917	1,957,167	42,075	3,842	9

Reasons for variance in per tonne cost

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

12. SALES– **Net Sales Realization**

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

2013		2012	
Qty. in Tonne	Rs. in '000	Qty. in Tonne	Rs. in '000
40,366	1,866,017	54,361	2,713,415
17,658	905,437	5,510	291,846
58,024	2,771,454	59,871	3,005,261

a) LOCAL SALES
White Sugar (Tonne)

2013	2012
40,366	54,361

Gross sales
Less:
Federal excise duty

2013		2012		Increase / (Decrease)	
Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
1,936,340	47,970	2,930,312	53,905	(5,935)	(11)
(70,323)	(1,742)	(216,897)	(3,990)	2,248	(56)
1,866,017	46,227	2,713,415	49,915	(3,687)	(7)

Net local sales

b) EXPORT SALES
White Sugar (Tonne)

2013	2012
17,658	5,510

Export sales

2013		2012		Increase / (Decrease)	
Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
905,437	51,276	291,846	52,967	(1,690)	(3)

The export sales was made to Somalia, Saudi Arabia, Dubai, Sri Lanka and Sudan during the year under review.

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

	2013		2012	
	Qty. in Tonne	Rs. in '000	Qty. in Tonne	Rs. in '000
(a) Local	40,366	(27,185)	54,361	(37,179)
(b) Export	17,658	41,456	5,510	36,755
Net profit / (loss) before taxation	58,024	14,271	59,871	(424)

– The company earned net profit of Rs. 14.271 million as against loss of Rs. 0.424 million in the last year.

a) LOCAL

White Sugar (Tonne)

2013	2012
40,366	54,361

	2013		2012		Increase / (Decrease)	
	Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
Net sales	1,866,017	46,227	2,713,415	49,915	(3,687)	(7)
Less:						
Cost of production	1,614,681	45,917	1,725,333	42,075	3,842	9
Inv. adjustment (Finished goods)	197,393	-	852,582	-	-	-
Cost of goods sold	1,812,074	44,891	2,577,915	47,422	(2,531)	(5)
Gross profit	53,943	1,336	135,500	2,493	(1,156)	(46)
Less:						
Selling expenses	3,112	77	3,812	70	7	10
Admin. expenses	56,947	1,411	87,259	1,605	(194)	(12)
Financial charges	55,869	1,384	85,305	1,569	(185)	(12)
Other income	(34,801)	(862)	(3,698)	(68)	(794)	1,168
	81,128	2,010	172,679	3,177	(1,167)	(37)
Profit / (loss) before taxation	(27,185)	(673)	(37,179)	(684)	10	(2)

a) EXPORT

White Sugar (Tonne)

2013	2012
17,658	5,510

	2013		2012		Increase / (Decrease)	
	Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
Net sales	905,437	51,276	291,846	52,967	(1,690)	(3)
Less: Cost of production	810,808	45,917	231,834	42,075	3,842	9
Gross profit	94,629	5,359	60,012	10,891	(5,532)	(51)
Less:						
Selling expenses	3,822	216	5,766	1,046	(830)	(79)
Admin. expenses	24,912	1,411	8,845	1,605	(194)	(12)
Financial charges	24,440	1,384	8,647	1,569	(185)	(12)
	53,173	3,011	23,257	4,221	(1,210)	(29)
Profit / (loss) before taxation	41,456	2,348	36,755	6,671	(4,323)	(65)

14. COST AUDITORS' OBSERVATIONS AND CONCLUSIONS

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

- During the year under review unauthorized transactions as mentioned at Note # 13 and Note # 23.1.4 of the audited financial accounts of the company were reported to have been identified which were attributable to a deceased executive which have been transferred from the Company's Trade Debts to his account having net impact of Rs. 14,915 thousands and which after adjustment of redundancy dues of the deceased executive of Rs. 1.919 thousand, a net provision of Rs. 12.996 thousand has been recorded in the accounts.

(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 five 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, 2013. 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

Engagement Partner: Wasful Hassan Siddiqi

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

For the year ended September 30, 2013

	2013 Rs. in '000
Cost of sales (as per cost accounts)	<u><u>2,622,882</u></u>
Cost of sales (as per financial accounts)	<u><u>2,622,882</u></u>

Cost accounts are in agreement with audited financial accounts of the company for the year ended September 30, 2013.

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, 2013 as compared with September 30, 2012

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 2012-2013	121	6,000	726,000	109	4,975	542,289	75%
Year 2011-2012	109	6,000	654,000	102	4,739	483,352	74%

REASONS FOR SHORTFALL:

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

Chief Financial Officer

Chief Executive

Karachi: 25 JAN 2014

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, 2013 as compared with September 30, 2012

	2012 - 2013		2011 - 2012	
	Quantity	Rs. in '000	Quantity	Rs. in '000
1. Sugar				
– Finished	6,631	299,754	11,832	497,147
– In Process	214	1,936	55	1,156
		301,690		498,303
2. Molasses				
– In Process	112	490	24	175
3. Baggasse	400	120	5,000	1,445
TOTAL		302,300		499,923

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 Financial Officer

Chief Executive

Karachi: 25 JAN 2014

SANGHAR SUGAR MILLS LIMITED

PRODUCTION DATA FOR THE YEAR ENDED 30 SEPTEMBER 2013

Schedule-1

S.NO	PARTICULARS	2012 - 2013	2011 - 2012
1	2	3	4
1	(a) CANE CRUSHED		
	DATE STARTED .	03 November 2012	25 November 2011
	DATE FINISHED.	03 March 2013	12 March 2012
	DURATION OF RUN DAYS.	121	109
	TOTAL DAYS OF ACTUAL CRUSHING	109	102
	TOTAL NUMBER OF HOURS IN DURATION	2,904	2,616
	TOTAL NUMBER OF HOURS OF ACTUAL CRUSHING	2,627:55	2,450:25
	TOTAL NUMBER OF HOURS LOST	247:35	149:35
	TOTAL CANE MILLED (TONS)	542,288.993	483,352.364
	CONVERTED MAUNDS	13,557,225.000	12,083,809.000
	TOTAL MIXED JUICE OBTAINED (TONS)	591,484.787	538,620.971
	(b) GUR MELTED:	NIL	NIL
	(c) IMPORTED SUGAR PROCESSED:	NIL	NIL
2	JUICE & ADDED WATER:		
	AVERAGE MIXED JUICE % CANE	109.071	111.434
	AVERAGE ADDED WATER % CANE	41.290	43.568
3	SUGAR MADE:		
	TOTAL SUGAR BAGGED OF ALL GRADES (100KG)	NIL	NIL
	TOTAL SUGAR BAGGED OF ALL GRADES (50KG)	1,056,450	930,310
	SUGAR BAGGED (TONS)	52,823	46,516
	SUGAR IN PROCESS (TONS)	214.137	55.003
4	MOLASSES EXTRACTED:		
	TOTAL MOLASSES SENT OUT (TONS)	27,460.000	25,930.000
	MOLASSES IN PROCESS (TONS)	112.447	24.167
5	RECOVERY PERCENT:		
	LABORATORY TEST PERCENTAGE RECOVERY OF SUGAR CANE	9.770	9.620
	AVERAGE RECOVERY OF MARKETABLE WHITE SUAGR % CANE	9.770	9.620
	AVERAGE PRODUCTION OF FINAL MOLASSES % CANE	5.080	5.362
6	BY PRODUCTS:		
	BAGASSE % CANE (CALCULTED) (TONS)	178,955	159,506
	V.F.CAKE % CANE	3.000	3.000
7	CLARIFICATION PROCESS:		
	SPECIFY THE PROCESS USED BY THE MILL	Defecation, Melt, Phosphitation	

Chief Financial Officer

Chief Executive

Karachi: 25 JAN 2014

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING COST OF PRODUCTION AND SALE OF WHITE BAGGED SUGAR FOR THE YEAR ENDED 30 SEPTEMBER 2013

Annexure-I

QUANTITATIVE DATA - BAGGED SUGAR	2012 – 2013	2011 – 2012
OPENING STOCK (TONNE)	11,832	25,187
PRODUCTION (TONNE)	52,823	46,516
CLOSING STOCK (TONNE)	6,631	11,832
SALES (TONNE)	58,024	59,871

S.NO	PARTICULARS	2012 – 2013		2011 – 2012	
		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)	2,401,905	45,471	1,944,596	41,805
	b) BEET (ANNEX-IV)	-		-	
	c) GUR	-		-	
	d) IMPORTED SUGAR FOR PROCESSING	-		-	
	e) PROCESS MATERIAL (ANNEX-V)	17,172	325	7,102	153
	Total	2,419,077	45,796	1,951,698	41,958
2	SALARIES/WAGES BENEFITS (ANNEX-VI)	76,155	1,442	53,517	1,151
3	CONSUMABLE STORES	29,242	554	49,677	1,068
4	REPAIRS AND MAINTENANCE	-	-	-	-
5	UTILITIES	-	-	-	-
	STEAM (ANNEX-VII)	19,806	375	11,473	247
6	ELECTRIC POWER (ANNEX-VIII)	98,599	1,867	64,889	1,395
7	WATER & GAS	-	-	-	-
8	INSURANCE	8,797	167	7,264	156
9	DEPRECIATION	29,573	560	30,648	659
10	OTHER FACTORY OVER HEAD (ANNEX-IX)	11,682	221	6,383	137
11	TOTAL COST	2,692,931	50,981	2,175,549	46,770
12	ADD: OPENING STOCK OF W.I.P.	1,156	-	3,859	-
13	LESS CLOSING STOCK OF W.I.P	(1,936)	-	(1,156)	-
14	TOTAL COST OF GOODS MANUFACTURING	2,692,151	50,966	2,178,252	46,829
15	LESS REALISABLE VALUE OF BY PRODUCTS				
	MOLASSES	(238,970)	(4,524)	(192,292)	(4,134)
	BAGASSE	(51,718)	(979)	(46,097)	(991)
	OTHERS	-	-	-	-
16	NET COST OF GOODS MANUFACTURING	2,401,463	45,463	1,939,863	41,704
17	ADD PACKING MATERIAL AND HANDLING	24,026	455	17,304	372
18	NET COST OF BAGGED SUGAR	2,425,489	45,918	1,957,167	42,076
19	ADD: EXCISE DUTY / SALES TAX	-	-	-	-
20	TOTAL COST OF BAGGED SUGAR	2,425,489	45,918	1,957,167	42,076
21	ADD: OPENING STOCK OF SUGAR	497,147	-	1,349,729	-
22	LESS: CLOSING STOCK OF SUGAR	(299,754)	-	(497,147)	-
23	COST OF SALES	2,622,882	45,204	2,809,749	46,930
24	ADMINISTRATIVE EXPENSES (ANNEX-X)	81,859	1,411	96,104	1,605
25	SELLING AND DISTRIBUTION EXP (ANNEX-XI)	6,934	120	9,578	160
26	FINANCIAL EXPENSES	80,309	1,384	93,952	1,569
27	OTHER CHARGES / (INCOME)	(34,801)	(600)	(3,698)	(62)
	TOTAL COST TO MAKE AND SELL	2,757,183	47,518	3,005,685	50,203

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING COST OF SUGAR CANE PRODUCED FOR THE YEAR ENDED 30 SEPTEMBER 2013

Annexure-II

S. No.	Particulars	2012-2013		2011-2012	
		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 Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED
STATEMENT SHOWING COST OF SUGAR CANE CRUSHED
FOR THE YEAR ENDED 30 SEPTEMBER 2013

Annexure-III

S.NO	PARTICULARS	2012 - 2013			2011 - 2012		
		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	542,289	4,258	2,309,027	483,352	3,868	1,869,591
	SUGAR CANE PRODUCED FROM OWN FARM (Annex-II)	-	-	-	-	-	-
	LESS: LOSS IN TRANSIT	-	-	-	-	-	-
	SUGAR CANE RECEIVED AT FACTORY GATE	542,289	4,258	2,309,027	483,352	3,868	1,869,591
2	COMMISSION	-	-	-	-	-	-
3	QUALITY PREMIUM	542,289	134	72,531	483,352	115	55,586
4	LOADING / UNLOADING CHARGES	542,289	2	1,230	483,352	3	1,372
5	CANE DEVELOPMENT EXPENSES						
	a) SALARIES/WAGES OF SUPPLY & DEVELOP (Annex-VI)	542,289	13	6,973	483,352	14	6,723
	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	542,289	10	5,423	483,352	10	4,833
	c) ROAD CESS	542,289	6	3,389	483,352	6	3,020
	d) OCTROI	-	-	-	-	-	-
	e) OTHER LEVIES	-	-	-	-	-	-
7	TRANSPORTATION CHARGES:						
	a) DELIVERY EXPENSES	-	-	-	-	-	-
	b) TRANSPORT SUBSIDY	542,289	6	3,332	483,352	5	2,263
	c) OTHERS	-	-	-	-	-	-
8	OTHER EXPENDITURES AT CANE COLLECTION CENTERS						
	a) SALARIES AND WAGES (Annex-VI)	-	-	-	483,352	2	968
	b) STORES	-	-	-	-	-	-
	c) REPAIRS AND MAINTENANCE	-	-	-	-	-	-
	d) OTHERS	-	-	-	-	-	-
	TOTAL COST OF SUGARCANE TRANSFERRED TO PRODUCTION PROCESS (ANNEX-I)	542,289	4,429	2,401,905	483,352	4,023	1,944,596

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING COST OF BEET CONSUMED FOR THE YEAR ENDED 30 SEPTEMBER 2013

Annexure-IV

S. No.	Particulars	2012-2013			2011-2012		
		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 Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING COST OF PROCESS MATERIAL CONSUMED FOR THE YEAR ENDED 30 SEPTEMBER 2013

Annexure-V

S.NO	PARTICULARS	2012 - 2013		2011 - 2012	
		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)	52,823		46,516	
1	ALUM	-	-	-	-
2	ANTI FOAM	50	0.95	45	0.97
3	BLANKET POWDER	-	-	-	-
4	BLEACHING POWDER	267	5.05	268	5.76
5	CAUSTIC SODA	1,270	24.04	1,100	23.65
6	CLEANING BRUSHES	-	-	-	-
7	COMMON SALT	-	-	-	-
8	DECALITE	4,440	84.05	-	-
9	ERICHROME BLOCK T	-	-	-	-
10	FILTER CLOTH	-	-	-	-
11	FILTER PAPER	-	-	-	-
12	FORMALINE	2	0.04	1	0.02
13	HYDROCHLORIC ACID	5	0.09	3	0.06
14	HYDROZINE HYDRATE	-	-	-	-
15	LABORATORY CHEMICALS	-	-	-	-
16	LEAD SUB ACITATE	-	-	50	1.07
17	LUBRICANT AND GREASE	-	-	-	-
18	MYTHYLATED SPIRIT	129	2.44	178	3.83
19	PENVOL VISC AID	124	2.35	54	1.16
20	PHENOL PHTHALINE	-	-	-	-
21	PHOSPHORIC ACID	1,539	29.14	1,912	41.10
22	POLYELECTIOLITE (PRESTOL)	832	15.75	764	16.42
23	POTASSIUM FERROCYNIDE	-	-	-	-
24	RECTIFIED SPIRIT	-	-	-	-
25	ROCK SALT	6	0.11	13	0.28
26	SEWING THREAD	-	-	-	-
27	SODA ASH	144	2.73	139	2.99
28	SODIUM NITRATE	-	-	-	-
29	SODIUM SULPHATE	-	-	-	-
30	SOFTINO TREAT	-	-	-	-
31	SOLNEX	-	-	-	-
32	TRI SODIUM PHOSPHATE	98	1.86	52	1.12
33	UNSLACKED LIME	2,673	50.60	2,523	54.24
34	TALOFLOC LIQUID	4,689	88.77	-	-
35	TALOFLOC ACID	135	2.56	-	-
36	BIO CITE	769	14.56	-	-
37	OTHER (SPECIFY) CHEMOTEK	-	-	-	-
	TOTAL	17,172	325.09	7,102	152.68
	TRANSFERD TO PRODUCTION PROCESS ANNEXURE-I	17,172	325.09	7,102	152.68

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING COST OF SALARIES, WAGES BENEFITS FOR THE YEAR ENDED 30 SEPTEMBER 2013

Annexure-VI

S.NO	PARTICULARS	2012 - 2013		2011 - 2012	
		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)	52,823		46,516	
	COST:				
1	SALARIES / WAGES				
1	OFFICERS AND PERMANENT STAFF	79,129	1,498	70,026	1,505
2	DAILY RATED, SEASONAL/CONTRACT LABOUR	26,075	494	22,227	478
3	BONUSES	21,144	400	18,957	408
2	BENEFITS				
1	MEDICAL EXPENSES	19	0	-	-
2	WELFARE, RECREATION	481	9	459	10
3	EDUCATION CESS	125	2	18	0
4	GROUP INSURANCE EXPENSES	-	-	-	-
5	WORKMEN COMP. INSURANCE	-	-	-	-
6	P.F. (EMPLOYERS CONTRIBUTION)	-	-	-	-
7	GRATUITY / PENSION	10,440	198	8,529	183
8	E.O.A.B.I.	2,124	40	1,880	40
9	WORKERS WELFARE FUND	-	-	60	1
10	LEAVE ENCASHMENT	133	3	616	13
11	DEATH COMPENSATION	860	16	10	0
12	CHARITY DISPENSARY	772	15	638	14
13	OTHER BENEFITS (IF ANY)	232	4	3,042	65
	TOTAL	141,534	2,679	126,462	2,719
	LESS: ALLOCATED TO:				
	a) ELECTRICITY GENERATION (Annex-VIII)	4,817	91	4,317	93
	b) STEAM GENERATION (Annex-VII)	8,865	168	8,340	179
	c) RAW MATERIAL (Annex-III)	6,973	132	7,691	165
	d) ADMIN EXPENSES (Annex-X)	44,724	847	52,597	1,131
	e) SELLING & DISTRIB. EXP. (Annex-XI)	-	-	-	-
	f) FACTORY OVERHEAD (Annex-IX)	-	-	-	-
		-	-	-	-
	BALANCE TRANSFERD TO PRODUCTION PROCESS ANNEXURE-1	76,155	1,442	53,517	1,151

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

**STATEMENT SHOWING COST OF STEAM / GENERATED CONSUMED
FOR THE YEAR ENDED 30 SEPTEMBER 2013**

Annexure-VII

S.NO	PARTICULARS	UNIT	2012-2013	2011-2012	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		109	102		
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)		124	125		Under-utilization of boilers is due to non-availability of cane.
5	PRODUCTION:					
	a) HIGH PRESSURE STEAM		NIL	NIL		
	b) MEDIUM PRESSURE STEAM		359,563	305,268		
	c) LOW PRESSURE STEAM		-	-		
	d) LESS: TRANSIT LOSSES		14,383	12,211		
	e) TOTAL		345,180	293,057		
6	PERCENTAGE OF CAPACITY UTILIZATION (4/3 * 100)	%	73	74		

S.NO	PARTICULARS OF COST OF STEAM	2012 - 2013			2011 - 2012		
		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)	345,180	0.64	220	293,057	0.71	207
2	FUELS:						
	a) BAGASSE:						
	i) OWN (TONNE)	345,180	140.85	48,618	293,057	100.58	29,476
	ii) PURCHASED (TONNE)	-	-	-	-	-	-
	b) PITH	-	-	-	-	-	-
	c) COAL PURCHASED	-	-	-	-	-	-
	d) FURNACE OIL (TONNE)	-	-	-	-	-	-
	e) FIRE WOOD (TONNE)	-	-	-	293,057	0.00	1
	f) GAS	-	-	-	-	-	-
	g) OTHER FUELS (IF ANY SPECIFY)	-	-	-	-	-	-
3	QUANTITY OF WASTE HEAT FROM THE PLANT IF ANY	-	-	-	-	-	-
4	CONSUMABLE STORES	345,180	42.88	14,801	293,057	4.22	1,237
5	DIRECT SALARIES, WAGES AND BENEFITS (Annex-VI)	345,180	25.68	8,865	293,057	28.46	8,340
6	REPAIRS AND MAINTENANCE	345,180	1.03	355	293,057	2.14	628
7	OTHER DIRECT EXP. (Bagasse Removal Expenses)	345,180	9.29	3,208	293,057	8.26	2,420
8	INSURANCE	345,180	2.83	977	293,057	2.75	807
9	DEPRECIATION	345,180	10.71	3,697	293,057	13.07	3,831
10	OVERHEADS (Annex-IX)	345,180	15.57	5,374	293,057	10.02	2,936
	TOTAL COST OF STEAM RAISED	345,180	249.48	86,115	293,057	170.22	49,883
	LESS: OUTSIDE SALE	-	-	-	-	-	-
11	TOTAL COST OF STEAM FOR SELF CONSUMPTION	345,180	249.48	86,115	293,057	170.22	49,883
12	ADD: COST OF STEAM PURCHASED	-	-	-	-	-	-
13	TOTAL COST OF STEAM CONSUMED	345,180	249.48	86,115	293,057	170.22	49,883
	ALLOCATION						
	TOTAL OF ITEM 13 ALLOCATED TO						
	i) WHITE BAGGED SUGAR (Annex-I)	79,391	249.48	19,806	67,403	170.22	11,473
	ii) ELECTRIC POWER HOUSE (Annex-VIII)	265,789	249.48	66,309	225,654	170.22	38,410
	iii) OTHERS:						
	a) STAFF COLONY	-	-	-	-	-	-
	b) OFFICE BUILDING ETC.	-	-	-	-	-	-
	TOTAL	345,180	249.48	86,115	293,057	170.22	49,883

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

**STATEMENT OF COST OF ELECTRIC POWER PURCHASED / GENERATED AND CONSUMED
FOR THE YEAR ENDED 30 SEPTEMBER 2013**

Annexure-VIII

S.NO	PARTICULARS	2012 – 2013	2011 – 2012	VARIANCE
1	INSTALLED CAPACITY (KWH)	13,500	10,270	
2	NO OF UNITS GENERATED (KWH)			
	– TURBINE	16,245,964	15,371,951	
	– DIESEL GENERATOR	70,786	68,424	
3	NO OF UNITS PURCHASED (KWH)	155,840	295,133	
4	TOTAL (2+3)	16,472,590	15,735,508	
5	CONSUMPTION IN POWER HOUSE INCLUDING OTHER LOSSES	1,639,023	1,565,683	
6	NET UNITS CONSUMED (4-5)	14,833,567	14,169,825	
7	PERCENTAGE OF CONSUMPTION AND LOSSES TO TOTAL UNITS. (%)	9.95	9.95	
8	AVAILABLE = (5/4) / 100 (%)	90	90	
9	PERCENTAGE OF POWER GENERATED TO INSTALLED CAPACITY (2/1) / 100 (%)	42	61	

S.NO	PARTICULARS OF COST OF ELECTRIC POWER	2012 – 2013			2011 – 2012		
		QUANTITY KWH	RATE PER KWH RS	RUPEES IN '000	QUANTITY KWH	RATE PER KWH RS	RUPEES IN '000
1	2	3	4	5	6	7	8
1	STEAM (Annex-VII)	14,833,567	4.47	66,309	14,169,825	2.71	38,410
2	CONSUMABLE STORES	14,833,567	0.52	7,703	14,169,825	0.51	7,226
3	SALARIES AND WAGES (Annex-VI)	14,833,567	0.32	4,817	14,169,825	0.30	4,317
4	OTHER DIRECT EXPENSES (Inspection Fee)	-	-	-	-	-	-
5	REPAIRS AND MAINTENANCE	14,833,567	0.04	570	14,169,825	0.01	131
6	DUTY ON ELECTRICITY (KWH)	14,833,567	0.01	131	14,169,825	0.01	124
7	GENERATOR RUNNING EXPENSES (KWH)	14,833,567	0.34	4,994	14,169,825	0.21	2,976
8	DEPRECIATION	14,833,567	0.25	3,697	14,169,825	0.27	3,831
9	OVERHEADS (Annex-IX)	14,833,567	0.43	6,308	14,169,825	0.24	3,447
	TOTAL	14,833,567	6.37	94,529	14,169,825	4.27	60,462
10	LESS: a) CREDIT FOR EXHAUST STEAM USED IN PROCESS ETC.	-	-	-	-	-	-
	b) OTHER CREDITS (IF ANY)	-	-	-	-	-	-
11	COST OF POWER GENERATED (KWH)	14,833,567	6.37	94,529	14,169,825	4.27	60,462
12	LESS: COST OF POWER SOLD/SELF CONSUMED/LOSSES	-	-	-	-	-	-
13	ADD: COST OF POWER PURCHASED (KWH)	155,840	26.12	4,070	295,133	15.00	4,427
14	TOTAL NET COST OF POWER CONSUMED (KWH)	14,989,407	6.58	98,599	14,464,958	4.49	64,889
	TOTAL AT ITEM 14 ALLOCATED TO :-						
	I) WHITE BAGGED SUGAR	13,210,164	6.58	86,895	12,747,967	4.49	57,187
	II) SELF CONSUMPTION	1,779,243	6.58	11,704	1,716,991	4.49	7,702
	III) OTHERS:						
	a) STAFF COLONY	-	-	-	-	-	-
	b) OFFICE BUILDING	-	-	-	-	-	-
	c) OTHER (SPECIFY)	-	-	-	-	-	-
	TOTAL - TRANSFER TO ANNEX-I	14,989,407	6.58	98,599	14,464,958	4.49	64,889

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING OTHER FACTORY OVERHEADS FOR THE YEAR ENDED 30 SEPTEMBER 2013

Annexure-IX

S.NO	PARTICULARS	2012 – 2013		2011 – 2012	
		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)	52,823		46,516	
	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	9,777	185	5,213	112
8	REPAIRS & MAINTENANCE	6,640	126	7,553	162
9	FIRE FIGHTING	-	-	-	-
10	OTHER EXPENSES	6,947	132	-	-
11	TOTAL	23,364	442	12,766	274
	ALLOCATED TO :				
	a) WHITE BAGGED SUGAR (Annex-I)	11,682	221	6,383	137
	b) ELECTRIC POWER HOUSE (Annex-VIII)	6,308	119	3,447	74
	c) STEAM GENERATION (Annex-VII)	5,374	102	2,936	63
	d) OTHERS :				
	a) STAFF COLONY	-	-	-	-
	b) OFFICE BUILDING ETC.	-	-	-	-
	TOTAL AS PER ITEM 12 ABOVE	23,364	442	12,766	274

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 30 SEPTEMBER 2013

Annexure-X

S.NO	PARTICULARS	2012 – 2013		2011 – 2012	
		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)	58,024		59,871	
2	COST:				
	SALARIES, WAGES AND BENEFITS (Annex-VI)	44,724	771	52,597	879
	RENT, RATE AND TAXES	473	8	1,182	20
	INSURANCE	3,258	56	2,691	45
	WATER, GAS AND ELECTRICITY	769	13	2,311	39
	PRINTING AND STATIONERY	985	17	1,358	23
	TELEPHONE, FAX AND TELEX	828	14	1,307	22
	REPAIR AND MAINTENANCE	319	5	4,492	75
	TRAVELING & CONVEYANCE	2,318	40	7,363	123
	SUBSCRIPTION, BOOKS & PERIODICAL	597	10	1,021	17
	ENTERTAINMENT	525	9	1,618	27
	LEGAL & PROFESSIONAL EXPENSES	499	9	2,908	49
	AUDITORS REMUNERATION	642	11	630	11
	CHARITY AND DONATION	1,226	21	2,165	36
	DEPRECIATION	4,063	70	3,906	65
	OTHERS	20,633	356	10,555	176
	TOTAL	81,859	1,411	96,104	1,605

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING SELLING EXPENSES FOR THE YEAR ENDED 30 SEPTEMBER 2013

Annexure-XI

S.NO	PARTICULARS	2012 – 2013		2011 – 2012	
		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)	58,024		59,871	
2	COST:				
	SALARIES, WAGES AND BENEFITS (Annex-VI)	-	-	-	-
	TRAVELING AND CONVEYANCE	-	-	-	-
	COMMISSION	-	-	-	-
	FREIGHT OUTWARD	-	-	-	-
	STACKING / RESTACKING & OTHERS	3,112	54	3,812	64
	LOADING / UNLOADING	-	-	-	-
	EXPORT EXPENSES	3,822	66	5,766	96
	VEHICLE RUNNING EXPENSES	-	-	-	-
	ADVERTISING FOR SALES PROMOTIC	-	-	-	-
	BROKERAGE & COMMISSION	-	-	-	-
	TOTAL	6,934	120	9,578	160

Chief Financial Officer

Chief Executive

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