
Cost Auditors' Report

For the year ended September 30, 2015



سانگھڑ شوگر ملز لمیٹڈ

Sanghar Sugar Mills Limited



Sanghar Sugar Mills Limited

Registered / Head Office: C-27, Plot No. F-24, Block - 9, Clifton, Karachi - 75600
Phone: 021 35371441 to 43 (3 lines), Fax: 021 35371444,
E-mail: info@sangharsugarmills.com, Website: www.sangharsugarmills.com

March 08, 2016

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, 2015**

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
2014-2015
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, 2015, 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 Refined 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: Mustafa Hussain Siddiqui

Karachi: 27 JAN 2016

1. CAPACITY (Tonne)

(a) The licensed / installed cane crushing capacity and its utilization is given as follows:

	2015	2014
	Tonne	
– Licensed / installed capacity (Year 2015: Duration of season 137 days x 6,000 tonne per day) (Year 2014: Duration of season 151 days x 6,000 tonne per day)	822,000	906,000
– Capacity utilized	630,317	738,209
– Percentage of capacity utilized	77%	81%

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

2. COST ACCOUNTING SYSTEM

– The actual cost incurred by the company is charged to various cost centers / units on actual basis. The cost accounting system of the company is adequate and enables to determine correctly the cost of sugar produced.

3. PRODUCTION

(a)	Installed Capacity		Production		% of Installed	
	YEARS					
– Main Product:	2015	2014	2015	2014	2015	2014
– White Sugar Bagged	82,200	90,600	64,271	72,530	78%	80%
– By Product:	<i>Qty. in Tonne</i>					
– Molasses	41,100	45,300	34,350	39,260	84%	87%
– Bagasse	287,700	317,100	201,594	243,609	70%	77%
– V. Filter Cake	24,660	27,180	18,910	22,146	77%	81%

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 remained 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 5		2 0 1 4		2 0 1 3	
	Quantity (Tonne)	Rupees in '000	Quantity (Tonne)	Rupees in '000	Quantity (Tonne)	Rupees in '000
Sugar Cane (See Annexure - III)	630,317	2,716,882	738,209	3,232,411	542,289	2,401,905
Process Material (See Annexure - V)	–	23,263	–	26,845	–	17,172

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

Standard Tonne	Sugar			% Increase / (Decrease) as compared to Standard			
	2015 Tonne	2014 Tonne	2013 Tonne	2015	2014	2013	
	Sugar Cane	10.00	9.81	10.18	10.27	(1.93)	1.78

Standard : 10.00 tonne sugar cane = 1 tonne sugar

Actual :

Year 2015 : 9.81 tonne sugar cane = 1 tonne sugar

Year 2014 : 10.18 tonne sugar cane = 1 tonne sugar

Year 2013 : 10.27 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 and net realizable value.

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

	2015 Rs. in '000	2014 Rs. in '000	2013 Rs. in '000	Increase / (Decrease)			
				As compared to 2014		As compared to 2013	
				Rs. in '000	%	Rs. in '000	%
(i) Direct labour cost on production	97,525	83,694	83,128	13,831	17	14,397	17
(ii) Indirect labour cost on production	15,902	15,785	13,682	117	1	2,220	16
(iii) Employees' cost on administration	48,725	44,662	44,724	4,063	9	4,001	9
(iv) Employees' cost on selling and distribution	-	-	-	-	-	-	-
(v) Total employees cost (i to iv)	162,152	144,141	141,534	18,011	12	20,618	15
(vi) Bonus to workers and employees already included above employees cost	26,205	23,332	21,144	2,873	12	5,061	24
(vii) Other employees cost	----- N I L -----						

- There was increase in salaries & wages due to annual increments 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	
	2015	2014	2015	2014	2015	2014	2015	2014
	----- (Rupees in `000) -----							
Directors' fee	-	-	200	170	-	-	200	170
Managerial remuneration	5,383	5,383	1,192	1,236	7,337	7,142	13,912	13,761
Allwances & others	1,827	1,827	775	804	2,892	2,708	5,494	5,339
	7,210	7,210	1,967	2,040	10,229	9,850	19,406	19,100
Number of persons	1	1	2	2	3	3	6	6

The Chief Executive, two Executive Directors and Executives as stated above are provided with the company maintained cars and telephone facilities.

(c) Total men-days of direct labour

526 men x 128 days (worked)

526 men x 137 days (available)

	Worked	Available	% Worked
	67,328	72,062	93

(d) Average number of production workers employed

	2015	2014	% Increase/(Decrease)
	526	520	1%

(e) Direct labour cost per ton

Sugar (Tonne)

Direct Labour (Rs. in '000)

Direct Labour Cost (Rs. per Tonne)

	2015	2014	2013	Increase / (Decrease)			
				As compared to 2014		As compared to 2013	
					%		%
Sugar (Tonne)	64,271	72,530	52,823	(8,259)	(11)	11,448	22
Direct Labour (Rs. in '000)	97,525	83,694	83,128	13,831	17	14,397	17
Direct Labour Cost (Rs. per Tonne)	1,517	1,154	1,574	363	31	(56)	(4)

(f) Brief explanations for variances

- Per tonne direct labour cost increased due to decrease in volume of production as compared to last year.

(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)

2015	2014
73,981	66,036
64,271	72,530
1,151	910

- Per tonne cost of stores & spares consumed increased due to low volume of production and general inflationary trend in prices as compared to last year.

(b) System of stores

- These are valued at cost calculated on moving average basis less provision for obsolescence and slow moving items, 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 and obsolete items amount to Rupees 15.625 millions which represent 27% of closing inventory as against Rupees 14.354 million representing 25% 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.

The Surplus on revaluation of Property, Plant and Equipment is recognized in accordance with section 235 of the Companies Ordinance, 1984. The surplus on revaluation of Property, Plant and Equipment 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 Property, Plant and Equipment, any revaluation surplus is directly transferred to retained earning through statement of Other Comprehensive Income. 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

2015	2014
Rs. in '000	Rs. in '000
55,730	35,537
9,725	4,222
<u>65,455</u>	<u>39,759</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**

	2015	2014	2013
	Rs.in '000	Rs. in '000	Rs.in '000
(i) Factory	37,170	25,363	23,364
(ii) Administration	77,569	72,783	81,859
(iii) Selling & distribution	769	5,326	6,934
(iv) Financial	81,122	99,355	80,309
	<u>196,630</u>	<u>202,827</u>	<u>192,466</u>

(i) Factory Overheads

	2015	2014	2013	% Increase / (Decrease)			
				As compared to 2014		As compared to 2013	
				Rs.in '000	Rs. in '000	Rs. in '000	Rupees
Vehicle running expenses	9,836	9,478	9,777	358	4	59	1
Repair and maintenance	3,972	2,029	6,640	1,943	96	(2,668)	(40)
Ijarah lease rentals	8,038	5,650	-	2,388	42	8,038	100
Other expenses	15,324	8,206	6,947	7,118	87	8,377	121
	<u>37,170</u>	<u>25,363</u>	<u>23,364</u>	<u>11,807</u>	<u>47</u>	<u>13,806</u>	<u>59</u>

- There was increase in factory overheads mainly on account of repair & maintenance, lease rentals and partly other expenses as compared to last year.

(ii) Administration Overheads

	2015	2014	2013	% Increase / (Decrease)			
				As compared to 2014		As compared to 2013	
				Rs.in '000	Rs. in '000	Rs. in '000	Rupees
Salaries, wages & benefits	48,725	44,662	44,724	4,063	9	4,001	9
Rent, rate and taxes	1,181	251	473	930	371	708	150
Insurance	2,517	2,687	3,258	(170)	(6)	(741)	(23)
Utilities	495	583	769	(88)	(15)	(274)	(36)
Printing & stationery	1,289	1,398	985	(109)	(8)	304	31
Communication	532	728	828	(196)	(27)	(296)	(36)
Repair & maintenance	632	412	319	220	53	313	98
Travelling & conveyance	2,870	2,668	2,318	202	8	552	24
Entertainment	545	370	525	175	47	20	4
Subscription	1,992	1,702	597	290	17	1,395	234
Legal & professional charges	1,542	1,289	499	253	20	1,043	209
Auditors remuneration	869	710	642	159	22	227	35
Charity & donations	1,156	1,263	1,226	(107)	(8)	(70)	(6)
Depreciation	9,725	4,222	4,063	5,503	130	5,662	139
Others	3,499	9,838	20,633	(6,339)	(64)	(17,134)	(83)
	<u>77,569</u>	<u>72,783</u>	<u>81,859</u>	<u>4,786</u>	<u>7</u>	<u>(4,290)</u>	<u>(5)</u>

- There was increase in admin overheads on account of increase in rent, rates & taxes, repair & maintenance and depreciation as compared to last year.

(iii) Selling Overheads				% Increase / (Decrease)			
	2015	2014	2013	As compared to 2014		As compared to 2013	
	Rs.in '000	Rs. in '000	Rs. in '000	Rupees	%	Rupees	%
Handling, stacking & others	769	1,362	3,112	(593)	(44)	(2,343)	(75)
Export expenses	-	3,964	3,822	(3,964)	(100)	(3,822)	(100)
	769	5,326	6,934	(4,557)	(86)	(6,165)	(89)

– Selling overheads decreased in the year under review as there was no export of sugar.

(iv) Financial Expenses				% Increase / (Decrease)			
	2015	2014	2013	As compared to 2014		As compared to 2013	
	Rs.in '000	Rs. in '000	Rs. in '000	Rupees	%	Rupees	%
Markup on:							
– Short term borrowings	76,388	86,043	69,664	(9,655)	(11)	6,724	10
– Assets subject to finance lease	3,788	7,314	7,816	(3,526)	(48)	(4,028)	(52)
– Bank guarantee	-	4,384	-	(4,384)	100	-	100
Bank charges	836	1,538	2,829	(702)	(46)	(1,993)	(70)
Interest on WPPF	110	76	-	34	100	110	100
	81,122	99,355	80,309	(18,233)	(18)	813	1

– Financial expenses decreased mainly due to in decrease in markup on short term borrowings, assets subject to finance lease and bank guarantees.

(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

(empty polypropylene bags)

				Increase / (Decrease)			
	2015	2014	2013	As compared to 2014		As compared to 2013	
					%		%
Sugar (Tonne)	64,271	72,530	52,823	(8,259)	(11)	11,448	22
Packing Material	31,890	37,725	24,026	(5,835)	(15)	7,864	33
Cost Per Tonne	496	520	455	(24)	(5)	41	9

– There was decrease in per tonne cost of packing material mainly due to decrease in packing material cost 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. 47,924 thousands (2014: 41,621 thousands) has been made in the accounts for the year under review, which includes Rs. 6,303 thousands for the current crushing season 2014-2015.

11. COST OF PRODUCTION**White Bagged Sugar**

Production (Tonne)

2015	2014
64,271	72,530

Cost of Production
(See Annexure - I)

2015		2014		Increase / (Decrease)	
Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
2,728,607	42,455	3,124,280	43,076	(621)	(1)

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

2015		2014	
Qty. in Tonne	Rs. in '000	Qty. in Tonne	Rs. in '000
61,368	2,869,164	65,579	3,035,724
Nil	Nil	3,390	161,227
61,368	2,869,164	68,969	3,196,951

- a) **LOCAL SALES**
White Sugar (Tonne)

2015	2014
61,368	65,579

- Gross sales
Less:
Federal excise duty

2015		2014		Increase / (Decrease)	
Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
3,098,696	50,494	3,269,946	49,863	631	1
(229,532)	(3,740)	(234,222)	(3,572)	(169)	5
2,869,164	46,753	3,035,724	46,291	462	1

Net local sales

- b) **EXPORT SALES**
White Sugar (Tonne)

2015	2014
Nil	3,390

Export sales

2015		2014		Increase / (Decrease)	
Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
Nil	Nil	161,227	47,560	Nil	Nil

There was no export sales during the year under review.

13. PROFITABILITY / (LOSS)

– Net profit / (loss) before taxation

	2015		2014	
	Qty. in Tonne	Rs. in '000	Qty. in Tonne	Rs. in '000
Sugar Segment				
(a) Local	61,368	89,783	65,579	33,893
(b) Export	Nil	Nil	3,390	2,775
Net profit sugar segment	61,368	89,783	68,969	36,668
(c) Loss from trading activities		Nil		(577)
Net profit before taxation		89,783		36,091

– The company earned net profit of Rs. 89.793 million as against profit of Rs. 36.091 million in the last year.

a) LOCAL

White Sugar (Tonne)

2015	2014
61,368	65,579

	2015		2014		Increase / (Decrease)	
	Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
Net sales	2,869,164	46,753	3,035,724	46,291	462	1
Less:						
Cost of production	2,728,607	42,455	2,978,253	43,076	(621)	(1)
Inv. adjustment (Finished goods)	(116,530)	-	(141,078)	-	-	-
Cost of goods sold	2,612,077	42,564	2,837,175	43,263	(699)	(2)
Gross profit	257,087	4,189	198,549	3,028	1,162	38
Less:						
Selling expenses	769	13	1,362	21	(8)	(38)
Admin. expenses	77,569	1,264	69,206	1,055	209	20
Financial charges	81,122	1,322	94,471	1,441	(119)	(8)
Other charges / (income)	7,844	128	(383)	(6)	134	(2,233)
	167,304	2,726	164,656	2,511	215	9
Profit / (loss) before taxation	89,783	1,463	33,893	517	946	183

a) EXPORT

White Sugar (Tonne)

2015	2014
Nil	3,390

	2015		2014		Increase / (Decrease)	
	Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
Net sales	Nil	Nil	161,227	47,560	Nil	Nil
Less: Cost of production	Nil	Nil	146,027	43,076	Nil	Nil
Gross profit	Nil	Nil	15,200	4,484	Nil	Nil
Less:						
Selling expenses	Nil	Nil	3,964	1,169	Nil	Nil
Admin. expenses	Nil	Nil	3,577	1,055	Nil	Nil
Financial charges	Nil	Nil	4,884	1,441	Nil	Nil
	Nil	Nil	12,425	3,665	Nil	Nil
Profit / (loss) before taxation	Nil	Nil	2,775	819	Nil	Nil

14. COST AUDITORS' OBSERVATIONS AND CONCLUSIONS

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

= N O N E =

(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 seven 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, 2015. 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: Mustafa Hussain Siddiqui

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

For the year ended September 30, 2015

	2015 Rs. in '000
Cost of sales (as per cost accounts Annexure-I)	<u><u>2,612,077</u></u>
Cost of sales (as per financial accounts)	<u><u>2,612,077</u></u>

Cost accounts are in agreement with audited financial accounts of the company for the year ended September 30, 2015.

SANGHAR SUGAR MILLS LIMITED

C-27, Plot No. F-24, Block-9, Clifton, Karachi-75600.
Phone: (021) 35371441 to 43 (3 lines), Fax: (021) 35371444

STATEMENT OF CAPACITY UTILIZATION [under Rule 4(1)(a) of Companies (Audit of Cost Accounts), Rule 1998] As at September 30, 2015 as compared with September 30, 2014

CANE CRUSHING CAPACITY

Season / Year	Licensed and Installed Capacity			Actual Capacity Utilization			Capacity Utilization
	No. of Operational Days	Tons Per Day	Crushing Tons	No. of Crushing Days	Tons Per Day	Crushing Tons	%

Year 2014-2015	137	6,000	822,000	128	4,924	630,317	77%
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Year 2013-2014	151	6,000	906,000	142	5,199	738,209	81%
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REASONS FOR SHORTFALL:

- Main reason for under utilization of production capacity is lesser availability of sugarcane during the season.

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

C-27, Plot No. F-24, Block-9, Clifton, Karachi-75600.
Phone: (021) 35371441 to 43 (3 lines), Fax: (021) 35371444

STATEMENT OF STOCK-IN-TRADE [Under Rule 4(1)(b) of Companies (Audit of Cost Accounts), Rule 1998] As at September 30, 2015 as compared with September 30, 2014

	2014 - 2015		2013 - 2014	
	Quantity	Rs. in '000	Quantity	Rs. in '000
1. Sugar				
– Finished	13,095	557,362	10,192	440,832
– In Process	60	510	102	886
		557,872		441,718
2. Molasses				
– In Process	31	226	51	250
3. Baggasse	2,000	2,846	500	150
TOTAL		560,944		442,118

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: 27 JAN 2016

SANGHAR SUGAR MILLS LIMITED

PRODUCTION DATA FOR THE YEAR ENDED 30 SEPTEMBER 2015

Schedule-1

S.NO	PARTICULARS	2014 - 2015	2013 - 2014
1	2	3	3
1	(a) CANE CRUSHED		
	DATE STARTED .	15 November 2014	01 November 2013
	DATE FINISHED.	31 March 2015	31 March 2014
	DURATION OF RUN DAYS.	137	151
	TOTAL DAYS OF ACTUAL CRUSHING	128	142
	TOTAL NUMBER OF HOURS IN DURATION	3,288	3,624
	TOTAL NUMBER OF HOURS OF ACTUAL CRUSHING	3,071:25	3,418:20
	TOTAL NUMBER OF HOURS LOST	198:35	189:40
	TOTAL CANE MILLED (TONS)	630,317.479	738,208.550
	CONVERTED MAUNDS	15,757,936.975	18,455,213.750
	TOTAL MIXED JUICE OBTAINED (TONS)	697,356.117	797,444.893
	(b) GUR MELTED:	NIL	NIL
	(c) IMPORTED SUGAR PROCESSED:	NIL	NIL
2	JUICE & ADDED WATER:		
	AVERAGE MIXED JUICE % CANE	110.636	108.024
	AVERAGE ADDED WATER % CANE	42.618	39.041
3	SUGAR MADE:		
	TOTAL SUGAR BAGGED OF ALL GRADES (100KG)	NIL	NIL
	TOTAL SUGAR BAGGED OF ALL GRADES (50KG)	1,285,425	1,450,600
	SUGAR BAGGED (TONS)	64,271	72,530
	SUGAR IN PROCESS (TONS)	59.866	102.395
4	MOLASSES EXTRACTED:		
	TOTAL MOLASSES SENT OUT (TONS)	34,350.000	39,260.000
	MOLASSES IN PROCESS (TONS)	31.393	50.849
5	RECOVERY PERCENT:		
	LABORATORY TEST PERCENTAGE RECOVERY OF SUGAR CANE	10.190	9.810
	AVERAGE PRODUCTION OF FINAL MOLASSES % CANE	5.447	5.310
6	BY PRODUCTS:		
	BAGASSE % CANE	31.983	31.020
	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: 27 JAN 2016

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING COST OF PRODUCTION AND SALE OF WHITE BAGGED SUGAR FOR THE YEAR ENDED 30 SEPTEMBER 2015

Annexure-I

QUANTITATIVE DATA - BAGGED SUGAR	2014 – 2015	2013 – 2014
OPENING STOCK (TONNE)	10,192	6,631
PRODUCTION (TONNE)	64,271	72,530
CLOSING STOCK (TONNE)	13,095	10,192
SALES (TONNE)	61,368	68,969

S.NO	PARTICULARS	2014 – 2015		2013 – 2014	
		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)	2,716,882	42,272	3,232,411	44,567
	b) BEET (ANNEX-IV)	-		-	
	c) GUR	-		-	
	d) IMPORTED SUGAR FOR PROCESSING	-		-	
	e) PROCESS MATERIAL (ANNEX-V)	23,263	362	26,845	370
	Total	2,740,145	42,634	3,259,256	44,937
2	SALARIES/WAGES BENEFITS (ANNEX-VI)	89,565	1,394	76,106	1,049
3	CONSUMABLE STORES	32,618	508	23,995	331
4	REPAIRS AND MAINTENANCE	-	-	-	-
5	UTILITIES	-	-	-	-
	STEAM (ANNEX-VII)	17,816	277	24,505	338
6	ELECTRIC POWER (ANNEX-VIII)	95,560	1,487	111,448	1,537
7	WATER & GAS	-	-	-	-
8	INSURANCE	6,795	106	7,255	100
9	DEPRECIATION	44,584	694	28,429	392
10	OTHER FACTORY OVER HEAD (ANNEX-IX)	18,585	289	12,682	175
11	TOTAL COST	3,045,668	47,388	3,543,676	48,858
12	ADD: OPENING STOCK OF W.I.P.	886	-	1,936	-
13	LESS CLOSING STOCK OF W.I.P	(510)	-	(886)	-
14	TOTAL COST OF GOODS MANUFACTURING	3,046,044	47,394	3,544,726	48,873
15	LESS REALISABLE VALUE OF BY PRODUCTS				
	MOLASSES	(277,250)	(4,314)	(385,088)	(5,309)
	BAGASSE	(60,442)	(940)	(73,083)	(1,008)
	POWER SALE	(11,635)	(181)	-	-
16	NET COST OF GOODS MANUFACTURING	2,696,717	41,959	3,086,555	42,556
17	ADD PACKING MATERIAL AND HANDLING	31,890	496	37,725	520
18	NET COST OF BAGGED SUGAR	2,728,607	42,455	3,124,280	43,076
19	ADD: EXCISE DUTY / SALES TAX	-	-	-	-
20	TOTAL COST OF BAGGED SUGAR	2,728,607	42,455	3,124,280	43,076
21	ADD: OPENING STOCK OF SUGAR	440,832	-	299,754	-
22	LESS: CLOSING STOCK OF SUGAR	(557,362)	-	(440,832)	-
23	COST OF SALES	2,612,077	42,564	2,983,202	43,254
24	ADMINISTRATIVE EXPENSES (ANNEX-X)	77,569	1,264	72,783	1,055
25	SELLING AND DISTRIBUTION EXP (ANNEX-XI)	769	13	5,326	77
26	FINANCIAL EXPENSES	81,122	1,322	99,355	1,441
27	OTHER CHARGES / (INCOME)	7,844	128	(383)	(6)
	TOTAL COST TO MAKE AND SELL	2,779,381	45,290	3,160,283	45,822

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING COST OF SUGAR CANE PRODUCED FOR THE YEAR ENDED 30 SEPTEMBER 2015

Annexure-II

S. No.	Particulars	2014-2015		2013-2014	
		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 2015

Annexure-III

S.NO	PARTICULARS	2014 - 2015			2013 - 2014		
		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	630,317	4,098	2,583,332	738,209	4,207	3,105,724
	SUGAR CANE PRODUCED FROM OWN FARM (Annex-II)	-	-	-	-	-	-
	LESS: LOSS IN TRANSIT	-	-	-	-	-	-
	SUGAR CANE RECEIVED AT FACTORY GATE	630,317	4,098	2,583,332	738,209	4,207	3,105,724
2	COMMISSION	-	-	-	-	-	-
3	QUALITY PREMIUM	630,317	186	117,397	738,209	139	102,426
4	LOADING / UNLOADING CHARGES	630,317	3	1,579	738,209	2	1,585
5	CANE DEVELOPMENT EXPENSES						
	a) SALARIES/WAGES OF SUPPLY & DEVELOP (Annex-VI)	630,317	13	7,960	738,209	10	7,588
	b) SUGAR CANE DEVELOPMENT RESEARCH	-	-	-	-	-	-
	c) SUPPLY STAFF & TRANSPORTATION EXPENSES	-	-	-	-	-	-
	d) OTHER EXPENDITURE	-	-	-	-	-	-
6	TAXES AND LEVIES :						
	a) CANE CESS / PURCHASE TAX	-	-	-	-	-	-
	b) MARKET COMMITTEE FEE	630,317	10	6,303	738,209	10	7,382
	c) ROAD CESS	-	-	-	738,209	6	4,614
	d) OCTROI	-	-	-	-	-	-
	e) OTHER LEVIES	-	-	-	-	-	-
7	TRANSPORTATION CHARGES:						
	a) DELIVERY EXPENSES	-	-	-	-	-	-
	b) TRANSPORT SUBSIDY	630,317	0	311	738,209	4	3,092
	c) OTHERS	-	-	-	-	-	-
8	OTHER EXPENDITURES AT CANE COLLECTION CENTERS						
	a) SALARIES AND WAGES (Annex-VI)	-	-	-	-	-	-
	b) STORES	-	-	-	-	-	-
	c) REPAIRS AND MAINTENANCE	-	-	-	-	-	-
	d) OTHERS	-	-	-	-	-	-
	TOTAL COST OF SUGARCANE TRANSFERRED TO PRODUCTION PROCESS (ANNEX-I)	630,317	4,310	2,716,882	738,209	4,379	3,232,411

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING COST OF BEET CONSUMED FOR THE YEAR ENDED 30 SEPTEMBER 2015

Annexure-IV

S. No.	Particulars	2014-2015			2013-2014		
		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 2015

Annexure-V

S.NO	PARTICULARS	2014 - 2015		2013 - 2014	
		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)	64,271		72,530	
1	ANTI FOAM	18	0.28	5	0.07
2	BLEACHING POWDER	471	7.33	524	7.22
3	CAUSTIC SODA	1,644	25.58	2,099	28.94
4	DECALITE	7,779	121.03	8,651	119.27
5	FORMALINE	1	0.02	3	0.04
6	HYDROCHLORIC ACID	19	0.30	4	0.06
7	LEAD SUB ACITATE	50	0.78	-	-
8	MYTHYLATED SPIRIT	161	2.51	182	2.51
9	PENVOL VISC AID	141	2.19	80	1.10
10	PHOSPHORIC ACID	1,500	23.34	1,756	24.21
11	POLYELECTIOLITE (PRESTOL)	-	-	970	13.37
12	PRAESTOL 2640 (P/H)	840	13.07	-	-
13	ROCK SALT	15	0.23	16	0.22
14	SODA ASH	216	3.36	242	3.34
15	TRI SODIUM PHOSPHATE	66	1.03	118	1.63
16	UNSLACKED LIME	3,862	60.09	4,717	65.04
17	TALOFLOC LIQUID	5,208	81.03	5,963	82.21
18	TALOFLOC ACID	215	3.35	220	3.03
19	BIO CITE	1,057	16.45	1,295	17.85
	TOTAL	23,263	361.95	26,845	370.12
	TRANSFERD TO PRODUCTION PROCESS ANNEXURE-I	23,263	361.95	26,845	370.12

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING COST OF SALARIES, WAGES BENEFITS FOR THE YEAR ENDED 30 SEPTEMBER 2015

Annexure-VI

S.NO	PARTICULARS	2014 - 2015		2013 - 2014	
		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)	64,271		72,530	
	COST:				
1	SALARIES / WAGES				
1	OFFICERS AND PERMANENT STAFF	90,485	1,408	86,455	1,192
2	DAILY RATED, SEASONAL/CONTRACT LABOUR	28,012	436	20,975	289
3	BONUSES	26,205	408	23,332	322
2	BENEFITS				
1	MEDICAL EXPENSES	-	-	6	0
2	WELFARE, RECREATION	2,167	34	1,011	14
3	EDUCATION CESS	-	-	22	0
4	GROUP INSURANCE EXPENSES	-	-	-	-
5	WORKMEN COMP. INSURANCE	-	-	-	-
6	P.F. (EMPLOYERS CONTRIBUTION)	-	-	-	-
7	GRATUITY / PENSION	10,371	161	9,091	125
8	E.O.A.B.I.	2,178	34	2,196	30
9	WORKERS WELFARE FUND	-	-	-	-
10	LEAVE ENCASHMENT	584	9	223	3
11	DEATH COMPENSATION	266	4	40	1
12	CHARITY DISPENSARY	1,748	27	600	8
13	OTHER BENEFITS (IF ANY)	136	2	190	3
	TOTAL	162,152	2,523	144,141	1,987
	LESS: ALLOCATED TO:				
	a) ELECTRICITY GENERATION (Annex-VIII)	5,798		5,443	
	b) STEAM GENERATION (Annex-VII)	10,104		10,342	
	c) RAW MATERIAL (Annex-III)	7,960		7,588	
	d) ADMIN EXPENSES (Annex-X)	48,725		44,662	
	e) SELLING & DISTRIB. EXP. (Annex-XI)	-		-	
	f) FACTORY OVERHEAD (Annex-IX)	-		-	
		-		-	
	BALANCE TRANSFERD TO PRODUCTION PROCESS ANNEXURE-1	89,565		76,106	

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

**STATEMENT SHOWING COST OF STEAM / GENERATED CONSUMED
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

Annexure-VII

S.NO	PARTICULARS	UNIT	2014-2015	2013-2014	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		137	151		
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)		116	133		Under-utilization of boilers is due to non-availability of sugar cane.
5	PRODUCTION:					
	a) HIGH PRESSURE STEAM		NIL	NIL		
	b) MEDIUM PRESSURE STEAM		389,289	482,107		
	c) LOW PRESSURE STEAM		-	-		
	d) LESS: TRANSIT LOSSES		19,464	24,105		
	e) TOTAL		369,825	458,002		
6	PERCENTAGE OF CAPACITY UTILIZATION (4/3 * 100)	%	68	78		

S.NO	PARTICULARS OF COST OF STEAM	2014 - 2015			2013 - 2014		
		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	369,825	19.46	7,195	458,002	0.57	259
2	FUELS:						
	a) BAGASSE:						
	I) OWN	369,825	77.51	28,666	458,002	157.59	72,178
	II) PURCHASED	-	-	-	-	-	-
	b) PITH	-	-	-	-	-	-
	c) COAL PURCHASED	-	-	-	-	-	-
	d) FURNACE OIL	-	-	-	458,002	0.51	235
	e) FIRE WOOD	369,825	0.08	31	-	-	-
	f) GAS	-	-	-	-	-	-
	g) OTHER FUELS (IF ANY SPECIFY)	-	-	-	-	-	-
3	QUANTITY OF WASTE HEAT FROM THE PLANT IF ANY	-	-	-	-	-	-
4	CONSUMABLE STORES	369,825	32.93	12,179	458,002	22.75	10,419
5	DIRECT SALARIES, WAGES AND BENEFITS (Annex-VI)	369,825	27.32	10,104	458,002	22.58	10,342
6	REPAIRS AND MAINTENANCE	369,825	1.11	412	458,002	1.43	655
7	OTHER DIRECT EXP. (Bagasse Removal Expenses)	369,825	10.81	3,998	458,002	4.94	2,264
8	INSURANCE	369,825	2.04	755	458,002	1.76	806
9	DEPRECIATION	369,825	15.07	5,573	458,002	7.76	3,554
10	OVERHEADS (Annex-IX)	369,825	23.12	8,549	458,002	12.74	5,833
	TOTAL COST OF STEAM RAISED	369,825	209.46	77,462	458,002	232.63	106,545
	LESS: OUTSIDE SALE	-	-	-	-	-	-
11	TOTAL COST OF STEAM FOR SELF CONSUMPTION	369,825	209.46	77,462	458,002	232.63	106,545
12	ADD: COST OF STEAM PURCHASED	-	-	-	-	-	-
13	TOTAL COST OF STEAM CONSUMED	369,825	209.46	77,462	458,002	232.63	106,545
	ALLOCATION						
	TOTAL OF ITEM 13 ALLOCATED TO						
	I) WHITE BAGGED SUGAR (Annex-I)	85,060	209.46	17,816	105,340	232.63	24,505
	II) ELECTRIC POWER HOUSE (Annex-VIII)	284,765	209.46	59,646	352,662	232.63	82,040
	III) OTHERS:						
	a) STAFF COLONY	-	-	-	-	-	-
	b) OFFICE BUILDING ETC.	-	-	-	-	-	-
	TOTAL	369,825	209.46	77,462	458,002	232.63	106,545

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 2015**

Annexure-VIII

S.NO	PARTICULARS	2014 – 2015	2013 – 2014	VARIANCE
1	INSTALLED CAPACITY (KWH)	13,500	13,500	
2	NO OF UNITS GENERATED (KWH)			
	– TURBINE	21,988,360	22,197,805	
	– DIESEL GENERATOR	7,765	8,320	
3	NO OF UNITS PURCHASED (KWH)	115,680	192,120	
4	TOTAL (2+3)	22,111,805	22,398,245	
5	CONSUMPTION IN POWER HOUSE INCLUDING OTHER LOSSES	2,211,181	2,239,825	
6	NET UNITS CONSUMED (4-5)	19,900,624	20,158,420	
7	PERCENTAGE OF CONSUMPTION AND LOSSES TO TOTAL UNITS AVAILABLE = (5/4) / 100 (%)	10.00	10.00	
8	PERCENTAGE OF POWER GENERATED TO INSTALLED CAPACITY (2/1) / 100 (%)	50	54	

S.NO	PARTICULARS OF COST OF ELECTRIC POWER	2014 – 2015			2013 – 2014		
		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)	19,784,944	3.01	59,646	19,966,300	4.11	82,040
2	CONSUMABLE STORES	19,784,944	0.30	5,921	19,966,300	0.24	4,777
3	SALARIES AND WAGES (Annex-VI)	19,784,944	0.29	5,798	19,966,300	0.27	5,443
4	OTHER DIRECT EXPENSES (Inspection Fee)	-	-	-	-	-	-
5	REPAIRS AND MAINTENANCE	19,784,944	0.04	851	19,966,300	0.02	378
6	DUTY ON ELECTRICITY (KWH)	19,784,944	0.01	176	19,966,300	0.01	178
7	GENERATOR RUNNING EXPENSES (KWH)	19,784,944	0.18	3,551	19,966,300	0.25	5,015
8	DEPRECIATION	19,784,944	0.28	5,573	19,966,300	0.18	3,554
9	OVERHEADS (Annex-IX)	19,784,944	0.51	10,036	19,966,300	0.34	6,848
	TOTAL	19,784,944	4.63	91,552	19,966,300	5.42	108,233
10	LESS: a) CREDIT FOR EXHAUST STEAM USED IN PROCESS ETC.	-	-	-	-	-	-
	b) OTHER CREDITS (IF ANY)	-	-	-	-	-	-
11	COST OF POWER GENERATED (KWH)	19,784,944	4.63	91,552	19,966,300	5.42	108,233
12	LESS: COST OF POWER SOLD/SELF CONSUMED/LOSSES	-	-	-	-	-	-
13	ADD: COST OF POWER PURCHASED (KWH)	115,680	34.65	4,008	192,120	16.73	3,215
14	TOTAL NET COST OF POWER CONSUMED (KWH)	19,900,624	4.80	95,560	20,158,420	5.53	111,448
	TOTAL AT ITEM 14 ALLOCATED TO :-						
	I) WHITE BAGGED SUGAR	17,701,605	4.80	85,004	17,938,978	5.53	99,182
	II) SELF CONSUMPTION	2,199,019	4.80	10,556	2,219,442	5.53	12,266
	III) OTHERS:						
	a) STAFF COLONY	-	-	-	-	-	-
	b) OFFICE BUILDING	-	-	-	-	-	-
	c) OTHER (SPECIFY)	-	-	-	-	-	-
	TOTAL - TRANSFER TO ANNEX-I	19,900,624	4.80	95,560	20,158,420	5.53	111,448

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING OTHER FACTORY OVERHEADS FOR THE YEAR ENDED 30 SEPTEMBER 2015

Annexure-IX

S.NO	PARTICULARS	2014 – 2015		2013 – 2014	
		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)	64,271		72,530	
	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	9,836	153	9,478	131
8	REPAIRS & MAINTENANCE	3,972	62	2,029	28
9	IJARAH LEASE RENTALS	8,038	125	5,650	78
10	OTHER EXPENSES	15,324	238	8,206	113
11	TOTAL	37,170	578	25,363	350
	ALLOCATED TO :				
	a) WHITE BAGGED SUGAR (Annex-I)	18,585	289	12,682	175
	b) ELECTRIC POWER HOUSE (Annex-VIII)	10,036	156	6,848	94
	c) STEAM GENERATION (Annex-VII)	8,549	133	5,833	80
	d) OTHERS :				
	a) STAFF COLONY	-	-	-	-
	b) OFFICE BUILDING ETC.	-	-	-	-
	TOTAL AS PER ITEM 12 ABOVE	37,170	578	25,363	350

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 30 SEPTEMBER 2015

Annexure-X

S.NO	PARTICULARS	2014 – 2015		2013 – 2014	
		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)	61,368		68,969	
2	COST:				
	SALARIES, WAGES AND BENEFITS (Annex-VI)	48,725	794	44,662	648
	RENT, RATE AND TAXES	1,181	19	251	4
	INSURANCE	2,517	41	2,687	39
	WATER, GAS AND ELECTRICITY	495	8	583	8
	PRINTING AND STATIONERY	1,289	21	1,398	20
	TELEPHONE, FAX AND TELEX	532	9	728	11
	REPAIR AND MAINTENANCE	632	10	412	6
	TRAVELING & CONVEYANCE	2,870	47	2,668	39
	SUBSCRIPTION, BOOKS & PERIODICAL	1,992	32	1,702	25
	ENTERTAINMENT	545	9	370	5
	LEGAL & PROFESSIONAL EXPENSES	1,542	25	1,289	19
	AUDITORS REMUNERATION	869	14	710	10
	CHARITY AND DONATION	1,156	19	1,263	18
	DEPRECIATION	9,725	158	4,222	61
	OTHERS	3,499	57	9,838	143
	TOTAL	77,569	1,264	72,783	1,055

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED

STATEMENT SHOWING SELLING EXPENSES FOR THE YEAR ENDED 30 SEPTEMBER 2015

Annexure-XI

S.NO	PARTICULARS	2014 – 2015		2013 – 2014	
		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)	61,368		68,969	
2	COST:				
	SALARIES, WAGES AND BENEFITS (Annex-VI)	-	-	-	-
	TRAVELING AND CONVEYANCE	-	-	-	-
	COMMISSION	-	-	-	-
	FREIGHT OUTWARD	-	-	-	-
	STACKING / RESTACKING & OTHERS	769	13	1,362	20
	LOADING / UNLOADING	-	-	-	-
	EXPORT EXPENSES	-	-	3,964	57
	VEHICLE RUNNING EXPENSES	-	-	-	-
	ADVERTISING FOR SALES PROMOTIC	-	-	-	-
	BROKERAGE & COMMISSION	-	-	-	-
	TOTAL	769	13	5,326	77

Chief Financial Officer

Chief Executive

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Sanghar Sugar Mills Limited

Registered / Head Office: C-27, Plot No. F-24, Block - 9, Clifton, Karachi - 75600

Phone: 021 35371441 to 43 (3 lines), **Fax:** 021 35371444,

E-mail: info@sangharsugarmills.com, **Website:** www.sangharsugarmills.com