

Sugar Segment

Cost Auditors' Report

For the year ended September 30, 2016



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 06, 2017

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
(Sugar Segment)
For the Year Ended September 30, 2016**

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

Muhammad Mubeen Alam

Muhammad Mubeen Alam

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
2015-2016
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 **Sugar Segment** 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, 2016, 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 of sugar segment 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 sugar segment of the company and exhibit true and fair view of the Company's affairs; and
 - (b) Cost accounting records of sugar segment 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: Mustafa Hussain Siddiqui

Karachi: 30 JAN 2017

1. CAPACITY (Tonne)

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

	2016	2015
	Tonne	
– Licensed / installed capacity (Year 2016: Duration of season 117 days x 6,000 tonne per day) (Year 2015: Duration of season 137 days x 6,000 tonne per day)	702,000	822,000
– Capacity utilized	563,617	630,317
– Percentage of capacity utilized	80%	77%

(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					
	2016	2015	2016	2015	2016	2015
– Main Product:						
– White Sugar Bagged	70,200	82,200	57,387	64,271	82%	78%
– By Product:						
– Molasses	35,100	41,100	27,040	34,350	77%	84%
– Bagasse	245,700	287,700	174,310	201,594	71%	70%
– V. Filter Cake	21,060	24,660	16,909	18,910	80%	77%

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 6		2 0 1 5		2 0 1 4	
	Quantity (Tonne)	Rupees in '000	Quantity (Tonne)	Rupees in '000	Quantity (Tonne)	Rupees in '000
Sugar Cane (See Annexure - III)	563,617	2,687,560	630,317	2,716,882	738,209	3,232,411
Process Material (See Annexure - V)	–	21,212	–	23,263	–	26,845

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

Standard Tonne	Sugar			% Increase / (Decrease) as compared to Standard			
	2016 Tonne	2015 Tonne	2014 Tonne	2016	2015	2014	
	Sugar Cane	10.00	9.82	9.81	10.18	(1.79)	(1.93)

Standard : 10.00 tonne sugar cane = 1 tonne sugar

Actual :

Year 2016 : 9.82 tonne sugar cane = 1 tonne sugar

Year 2015 : 9.81 tonne sugar cane = 1 tonne sugar

Year 2014 : 10.18 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

	2016 Rs. in '000	2015 Rs. in '000	2014 Rs. in '000	Increase / (Decrease)			
				As compared to 2015		As compared to 2014	
				Rs. in '000	%	Rs. in '000	%
(i) Direct labour cost on production	103,150	97,525	83,694	5,625	6	19,456	23
(ii) Indirect labour cost on production	17,681	15,902	15,785	1,779	11	1,896	12
(iii) Employees' cost on administration	51,067	48,725	44,662	2,342	5	6,405	14
(iv) Employees' cost on selling and distribution	-	-	-	-	-	-	-
(v) Total employees cost (i to iv)	171,898	162,152	144,141	9,746	6	27,757	19
(vi) Bonus to workers and employees already included above employees cost	23,668	26,205	23,332	(2,537)	(10)	336	1
(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	
	2016	2015	2016	2015	2016	2015	2016	2015
	----- (Rupees in `000) -----							
Directors' fee	-	-	85	200	-	-	85	200
Managerial remuneration	5,262	5,383	1,867	1,192	7,048	7,142	14,177	13,717
Allwances & others	3,047	1,953	827	775	4,004	4,037	7,878	6,765
	8,309	7,336	2,694	1,967	11,052	11,179	22,055	20,482
Number of persons	1	1	1	2	3	3	5	6

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

(c) Total men-days of direct labour

527 men x 109 days (worked)

527 men x 117 days (available)

	Worked	Available	% Worked
	57,443	61,659	93

(d) Average number of production workers employed

	2016	2015	% Increase/(Decrease)
	527	526	0%

(e) Direct labour cost per ton

Sugar (Tonne)

Direct Labour (Rs. in '000)

Direct Labour Cost (Rs. per Tonne)

	2016	2015	2014	Increase / (Decrease)			
				As compared to 2015		As compared to 2014	
					%		%
Sugar (Tonne)	57,387	64,271	72,530	(6,884)	(11)	(15,143)	(21)
Direct Labour (Rs. in '000)	103,150	97,525	83,694	5,625	6	19,456	23
Direct Labour Cost (Rs. per Tonne)	1,797	1,517	1,154	280	18	644	56

(f) Brief explanations for variances

- Per tonne direct labour cost increased due to decrease in volume of production and partly normal increments in salaries & wages 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)

2016	2015
67,173	73,981
57,387	64,271
1,171	1,151

- Per tonne cost of stores & spares consumed increased due to low volume of production 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 15.911 millions which represent 24% of closing inventory as against Rupees 15.625 million representing 27% 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

2016	2015
Rs. in '000	Rs. in '000
56,124	55,730
9,501	9,725
<u>65,625</u>	<u>65,455</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

	2016	2015	2014
	Rs.in '000	Rs. in '000	Rs.in '000
(i) Factory	34,335	37,170	25,363
(ii) Administration	80,348	77,569	72,783
(iii) Selling & distribution	522	769	5,326
(iv) Financial	48,859	81,122	99,355
	<u>164,064</u>	<u>196,630</u>	<u>202,827</u>

(i) Factory Overheads

	2016	2015	2014	% Increase / (Decrease)			
				As compared to 2015		As compared to 2014	
				Rupees	%	Rupees	%
Vehicle running expenses	7,747	9,836	9,478	(2,089)	(21)	(1,731)	(18)
Repair and maintenance	3,657	3,972	2,029	(315)	(8)	1,628	80
Ijarah lease rentals	6,664	8,038	5,650	(1,374)	(17)	1,014	18
Other expenses	16,267	15,324	8,206	943	6	8,061	98
	<u>34,335</u>	<u>37,170</u>	<u>25,363</u>	<u>(2,835)</u>	<u>(8)</u>	<u>8,972</u>	<u>35</u>

– There was an overall decrease in factory overheads as compared to last year.

(ii) Administration Overheads

	2016	2015	2014	% Increase / (Decrease)			
				As compared to 2015		As compared to 2014	
				Rupees	%	Rupees	%
Salaries, wages & benefits	51,067	48,725	44,662	2,342	5	6,405	14
Rent, rate and taxes	1,059	1,181	251	(122)	(10)	808	322
Insurance	2,459	2,517	2,687	(58)	(2)	(228)	(8)
Utilities	598	495	583	103	21	15	3
Printing & stationery	942	1,289	1,398	(347)	(27)	(456)	(33)
Communication	744	532	728	212	40	16	2
Repair & maintenance	418	632	412	(214)	(34)	6	1
Travelling & conveyance	3,681	2,870	2,668	811	28	1,013	38
Entertainment	623	545	370	78	14	253	68
Subscription	3,531	1,992	1,702	1,539	77	1,829	107
Legal & professional charges	1,407	1,542	1,289	(135)	(9)	118	9
Auditors remuneration	1,149	869	710	280	32	439	62
Charity & donations	1,200	1,156	1,263	44	4	(63)	(5)
Depreciation	9,501	9,725	4,222	(224)	(2)	5,279	125
Others	1,969	3,499	9,838	(1,530)	(44)	(7,869)	(80)
	<u>80,348</u>	<u>77,569</u>	<u>72,783</u>	<u>2,779</u>	<u>4</u>	<u>7,565</u>	<u>10</u>

– There was increase in admin overheads mainly on account of increase in utilities, communication, travelling & conveyance and subscription as compared to last year.

(iii) Selling Overheads				% Increase / (Decrease)			
	2016	2015	2014	As compared to 2015		As compared to 2014	
	Rs.in '000	Rs. in '000	Rs. in '000	Rupees	%	Rupees	%
Handling, stacking & others	522	769	1,362	(247)	(32)	(840)	(62)
Export expenses	-	-	3,964	-	-	(3,964)	(100)
	522	769	5,326	(247)	(32)	(4,804)	(90)

– Selling overheads decreased in the year under review.

(iv) Financial Expenses				% Increase / (Decrease)			
	2016	2015	2014	As compared to 2015		As compared to 2014	
	Rs.in '000	Rs. in '000	Rs. in '000	Rupees	%	Rupees	%
Markup on:							
– Long term financing	6,878	6,077	-	801	13	6,878	100
– Short term borrowings	36,802	70,311	86,043	(33,509)	(48)	(49,241)	(57)
– Assets subject to finance lease	4,095	3,788	7,314	307	8	(3,219)	(44)
– Bank guarantee	-	-	4,384	-	100	(4,384)	100
Bank charges	797	836	1,538	(39)	(5)	(741)	(48)
Interest on WPPF	287	110	76	177	100	211	100
	48,859	81,122	99,355	(32,263)	(40)	(50,496)	(51)

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

(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)			
	2016	2015	2014	As compared to 2015		As compared to 2014	
					%		%
Sugar (Tonne)	57,387	64,271	72,530	(6,884)	(11)	(15,143)	(21)
Packing Material	22,412	31,890	37,725	(9,478)	(30)	(15,313)	(41)
Cost Per Tonne	391	496	520	(106)	(21)	(130)	(25)

– 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. 53,560 thousands (2015: 47,924 thousands) has been made in the accounts for the year under review, which includes Rs. 5,636 thousands for the current crushing season 2015-2016.

11. COST OF PRODUCTION

White Bagged Sugar
Production (Tonne)

2016	2015
57,387	64,271

	2016		2015		Increase / (Decrease)	
	Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
Cost of Production (See Annexure - I)	2,739,264	47,733	2,728,607	42,455	5,278	12

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.

12. SALES

- **Net Sales Realization**

	2016		2015	
	Qty. in Tonne	Rs. in '000	Qty. in Tonne	Rs. in '000
(a) Local Sales	57,590	2,832,657	61,368	2,869,164
(b) Export Sales	Nil	Nil	Nil	Nil
Total net sales	57,590	2,832,657	61,368	2,869,164

a) LOCAL SALES
White Sugar (Tonne)

2016	2015
57,590	61,368

	2016		2015		Increase / (Decrease)	
	Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
Gross sales	3,065,115	53,223	3,098,696	50,494	2,729	5
Less:						
Brokerage commission	(1,454)	(25)	-	-	-	-
Federal excise duty / sales tax / further tax	(231,004)	(4,011)	(229,532)	(3,740)	(271)	7
	(232,458)	(4,036)	(229,532)	(3,740)	(296)	8
Net local sales	2,832,657	49,187	2,869,164	46,753	2,433	5

b) EXPORT SALES
White Sugar (Tonne)

2016	2015
Nil	Nil

	2016		2015		Increase / (Decrease)	
	Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
Export sales	Nil	Nil	Nil	Nil	Nil	Nil

There was no export sales during the year under review.

13. PROFITABILITY / (LOSS)

	Note	2016 Rs. in '000	2015 Rs. in '000
a) Sugar Segment	13.1	(7,161)	89,783
b) Electric power generation Segment	13.2	16,042	N/A
c) Profit from trading activities	13.3	2,179	Nil
Net profit before taxation		11,060	89,783

– The company earned net profit of Rs. 11.060 million as against profit of Rs. 89.793 million in the last year.

13.1 Sugar Segment

White Sugar (Tonne)

2016	2015
57,590	61,368

	2016		2015		Increase / (Decrease)	
	Rs. in '000	Rs.Per Ton	Rs. in '000	Rs.Per Ton	Rs.PerTon	%
Net sales	2,832,657	49,187	2,869,164	46,753	2,433	5
Less:						
Cost of production	2,739,264	47,733	2,728,607	42,455	5,278	12
Inv. adjustment (Finished goods)	(42,147)	-	(116,530)	-	-	-
Cost of goods sold	2,697,117	46,833	2,612,077	42,564	4,269	10
Gross profit	135,540	2,354	257,087	4,189	(1,836)	(44)
Less:						
Selling expenses	522	9	769	13	(4)	(31)
Admin. expenses	80,348	1,395	77,569	1,264	131	10
Financial charges	48,859	848	81,122	1,322	(474)	(36)
Other charges	19,819	344	7,925	129	215	167
Other income	(6,847)	(119)	(81)	(1)	(118)	11,800
	142,701	2,478	167,304	2,726	(248)	(9)
Profit / (loss) before taxation	(7,161)	(124)	89,783	1,463	(1,587)	(108)

13.2 Electric power generation Segment (Net)

Sale of Electric power outside

Less: Cost of electric power sold (Annex-VIII)

2016 Rs. in '000	2015 Rs. in '000
35,946	N/A
(19,904)	N/A
16,042	N/A

13.3 Profit on Trading Activities

Sales

Less: Sales tax

Less: Purchases & other expenses thereon

27,193	Nil
(1,295)	Nil
25,898	Nil
(23,719)	Nil
2,179	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 eight 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, 2016. 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, 2016

	2016 Rs. in '000
Cost of sales (as per cost accounts Annexure-I)	2,697,117
Less:	
Electric power generation segment:	
Sale of electric power outside	35,946
Less: Cost of electric power sold (Annex-VIII)	(19,904)
	16,042
Cost of sales (as per financial accounts)	2,681,075

SANGHAR SUGAR MILLS LIMITED

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

(Sugar Segment)

STATEMENT OF CAPACITY UTILIZATION [under Rule 4(1)(a) of Companies (Audit of Cost Accounts), Rule 1998] As at September 30, 2016 as compared with September 30, 2015

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 2015-2016	117	6,000	702,000	109	5,171	563,617	80%
Year 2014-2015	137	6,000	822,000	128	4,924	630,317	77%

REASONS FOR SHORTFALL:

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

Chief Financial Officer

Chief Executive

Karachi: 30 JAN 2017

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

(Sugar Segment)

STATEMENT OF STOCK-IN-TRADE

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

As at September 30, 2016 as compared with September 30, 2015

Qty. in Tonne

	2015 - 2016		2014 - 2015	
	Quantity	Rs. in '000	Quantity	Rs. in '000
1. Sugar				
– Finished	12,880	599,509	13,095	557,362
– In Process	161	1,609	60	510
		601,118		557,872
2. Molasses				
– In Process	80	179	31	226
3. Baggasse	3,000	4,770	2,000	2,846
TOTAL		606,067		560,944

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: 30 JAN 2017

SANGHAR SUGAR MILLS LIMITED
(Sugar Segment)

PRODUCTION DATA
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Schedule-1

S.NO	PARTICULARS	2015 - 2016	2014 - 2015
1	2	3	4
1	(a) CANE CRUSHED		
	DATE STARTED .	05 November 2015	15 November 2014
	DATE FINISHED.	29 February 2016	31 March 2015
	DURATION OF RUN DAYS.	117	137
	TOTAL DAYS OF ACTUAL CRUSHING	109	128
	TOTAL NUMBER OF HOURS IN DURATION	2,808	3,288
	TOTAL NUMBER OF HOURS OF ACTUAL CRUSHING	2,622:50	3,071:25
	TOTAL NUMBER OF HOURS LOST	169:10	198:35
	TOTAL CANE MILLED (TONS)	563,617.196	630,317.479
	CONVERTED MAUNDS	14,090,429.900	15,757,936.975
	TOTAL MIXED JUICE OBTAINED (TONS)	643,813.843	697,356.117
	(b) GUR MELTED:	NIL	NIL
	(c) IMPORTED SUGAR PROCESSED:	NIL	NIL
2	JUICE & ADDED WATER:		
	AVERAGE MIXED JUICE % CANE	114.229	110.636
	AVERAGE ADDED WATER % CANE	45.156	42.618
3	SUGAR MADE:		
	TOTAL SUGAR BAGGED OF ALL GRADES (100KG)	NIL	NIL
	TOTAL SUGAR BAGGED OF ALL GRADES (50KG)	1,147,750	1,285,425
	SUGAR BAGGED (TONS)	57,387	64,271
	SUGAR IN PROCESS (TONS)	161.344	59.866
4	MOLASSES EXTRACTED:		
	TOTAL MOLASSES SENT OUT (TONS)	27,040.000	34,350.000
	MOLASSES IN PROCESS (TONS)	79.570	31.393
5	RECOVERY PERCENT:		
	LABORATORY TEST PERCENTAGE RECOVERY OF SUGAR CANE	10.200	10.190
	AVERAGE PRODUCTION OF FINAL MOLASSES % CANE	4.806	5.447
6	BY PRODUCTS:		
	BAGASSE % CANE	30.927	31.983
	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

SANGHAR SUGAR MILLS LIMITED
(Sugar Segment)

STATEMENT SHOWING COST OF PRODUCTION AND SALE OF WHITE BAGGED SUGAR
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Annexure-I

QUANTITATIVE DATA - BAGGED SUGAR	2015 – 2016	2014 – 2015
OPENING STOCK (TONNE)	13,095	10,192
PRODUCTION (TONNE)	57,387	64,271
AVAILABLE (TONNE)	70,482	74,463
CLOSING STOCK (TONNE)	12,880	13,095
SWEEP SUGAR (TONNE)	12	NIL
SALES (TONNE)	57,590	61,368

S.NO	PARTICULARS	2015 – 2016		2014 – 2015	
		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)	2,687,560	46,832	2,716,882	42,272
	b) BEET (ANNEX-IV)	-	-	-	-
	c) GUR	-	-	-	-
	d) PROCESS MATERIAL (ANNEX-V)	21,212	370	23,263	362
	Total	2,708,772	47,202	2,740,145	42,634
2	SALARIES/WAGES BENEFITS (ANNEX-VI)	93,867	1,636	89,565	1,394
3	CONSUMABLE STORES	28,113	490	32,618	508
4	REPAIRS AND MAINTENANCE	-	-	-	-
5	UTILITIES	-	-	-	-
	STEAM (ANNEX-VII)	17,776	310	17,816	277
6	ELECTRIC POWER (ANNEX-VIII)	72,893	1,270	95,560	1,487
7	WATER & GAS	-	-	-	-
8	INSURANCE	6,639	116	6,795	106
9	DEPRECIATION	44,900	782	44,584	694
10	OTHER FACTORY OVER HEAD (ANNEX-IX)	17,168	299	18,585	289
11	TOTAL COST	2,990,128	52,105	3,045,668	47,388
12	ADD: OPENING STOCK OF W.I.P.	510	-	886	-
13	LESS CLOSING STOCK OF W.I.P.	(1,609)	-	(510)	-
14	TOTAL COST OF GOODS MANUFACTURING	2,989,029	52,085	3,046,044	47,394
15	LESS REALISABLE VALUE OF BY PRODUCTS				
	MOLASSES	(219,884)	(3,832)	(277,250)	(4,314)
	BAGASSE	(52,293)	(911)	(60,442)	(940)
	POWER SALE	-	-	(11,635)	-
16	NET COST OF GOODS MANUFACTURING	2,716,852	47,343	2,696,717	41,959
17	ADD PACKING MATERIAL AND HANDLING	22,412	391	31,890	496
18	NET COST OF BAGGED SUGAR	2,739,264	47,733	2,728,607	42,455
19	ADD: EXCISE DUTY / SALES TAX	-	-	-	-
20	TOTAL COST OF BAGGED SUGAR	2,739,264	47,733	2,728,607	42,455
21	ADD: OPENING STOCK OF SUGAR	557,362	-	440,832	-
22	LESS: CLOSING STOCK OF SUGAR	(599,509)	-	(557,362)	-
23	COST OF SALES	2,697,117	46,833	2,612,077	42,564
24	ADMINISTRATIVE EXPENSES (ANNEX-X)	80,348	1,395	77,569	1,264
25	SELLING AND DISTRIBUTION EXP (ANNEX-XI)	522	9	769	13
26	FINANCIAL EXPENSES	48,859	848	81,122	1,322
27	OTHER CHARGES / (INCOME)	12,972	225	7,844	128
	TOTAL COST TO MAKE AND SELL	2,839,818	49,311	2,779,381	45,290

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED
(Sugar Segment)

STATEMENT SHOWING COST OF SUGAR CANE PRODUCED
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Annexure-II

S. No.	Particulars	2015-2016		2014-2015	
		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
(Sugar Segment)

STATEMENT SHOWING COST OF SUGAR CANE CRUSHED
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Annexure-III

S.NO	PARTICULARS	2015 - 2016			2014 - 2015		
		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	563,617	4,538	2,557,458	630,317	4,098	2,583,332
	SUGAR CANE PRODUCED FROM OWN FARM (Annex-II)	-	-	-	-	-	-
	LESS: LOSS IN TRANSIT	-	-	-	-	-	-
	SUGAR CANE RECEIVED AT FACTORY GATE	563,617	4,538	2,557,458	630,317	4,098	2,583,332
2	COMMISSION	-	-	-	-	-	-
3	QUALITY PREMIUM	563,617	187	105,678	630,317	186	117,397
4	LOADING / UNLOADING CHARGES	563,617	2	1,377	630,317	3	1,579
5	CANE DEVELOPMENT EXPENSES						
	a) SALARIES/WAGES OF SUPPLY & DEVELOP (Annex-VI)	563,617	16	9,283	630,317	13	7,960
	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	563,617	10	5,636	630,317	10	6,303
	c) ROAD CESS	563,617	6	3,523	-	-	-
	d) OCTROI	-	-	-	-	-	-
	e) OTHER LEVIES	-	-	-	-	-	-
7	TRANSPORTATION CHARGES:						
	a) DELIVERY EXPENSES	-	-	-	-	-	-
	b) TRANSPORT SUBSIDY	563,617	8	4,605	630,317	0	311
	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)	563,617	4,768	2,687,560	630,317	4,310	2,716,882

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED
(Sugar Segment)

STATEMENT SHOWING COST OF BEET CONSUMED
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Annexure-IV

S. No.	Particulars	2015-2016			2014-2015		
		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
(Sugar Segment)

STATEMENT SHOWING COST OF PROCESS MATERIAL CONSUMED
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Annexure-V

S.NO	PARTICULARS	2015 - 2016		2014 - 2015	
		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)	57,387		64,271	
1	ANTI FOAM	-	-	18	0.28
2	BLEACHING POWDER	435	7.58	471	7.33
3	CAUSTIC SODA	1,449	25.25	1,644	25.58
4	DECALITE	3,868	67.40	7,779	121.03
5	FORMALINE	1	0.02	1	0.02
6	HYDROCHLORIC ACID	15	0.26	19	0.30
7	LEAD SUB ACITATE	100	1.74	50	0.78
8	MYTHYLATED SPIRIT	108	1.88	161	2.51
9	PENVOL VISC AID	111	1.93	141	2.19
10	PHOSPHORIC ACID	1,939	33.79	1,500	23.34
11	POLYELECTIOLITE (PRESTOL)	-	-	-	-
12	PRAESTOL 2640 (P/H)	890	15.51	840	13.07
13	ROCK SALT	22	0.38	15	0.23
14	SODA ASH	189	3.29	216	3.36
15	TRI SODIUM PHOSPHATE	13	0.23	66	1.03
16	UNSLACKED LIME	4,053	70.63	3,862	60.09
17	TALOFLOC LIQUID	7,186	125.22	5,208	81.03
18	TALOFLOC ACID	176	3.07	215	3.35
19	BIO CITE	657	11.45	1,057	16.45
	TOTAL	21,212	369.63	23,263	361.95
	TRANSFERD TO PRODUCTION PROCESS ANNEXURE-I	21,212	369.63	23,263	361.95

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED
(Sugar Segment)

STATEMENT SHOWING COST OF SALARIES, WAGES BENEFITS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Annexure-VI

S.NO	PARTICULARS	2015 - 2016		2014 - 2015	
		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)	57,387		64,271	
	COST:				
1	SALARIES / WAGES				
1	OFFICERS AND PERMANENT STAFF	93,637	1,632	90,485	1,408
2	DAILY RATED, SEASONAL/CONTRACT LABOUR	33,916	591	28,012	436
3	BONUSES	23,668	412	26,205	408
2	BENEFITS				
1	MEDICAL EXPENSES	-	-	-	-
2	WELFARE, RECREATION	1,429	25	2,167	34
3	EDUCATION CESS	-	-	-	-
4	GROUP INSURANCE EXPENSES	-	-	-	-
5	WORKMEN COMP. INSURANCE	-	-	-	-
6	P.F. (EMPLOYERS CONTRIBUTION)	-	-	-	-
7	GRATUITY / PENSION	11,796	206	10,371	161
8	E.O.A.B.I.	2,941	51	2,178	34
9	WORKERS WELFARE FUND	-	-	-	-
10	LEAVE ENCASHMENT	182	3	584	9
11	DEATH COMPENSATION	20	0	266	4
12	CHARITY DISPENSARY	587	10	1,748	27
13	OTHER BENEFITS (IF ANY)	3,722	65	136	2
	TOTAL	171,898	2,995	162,152	2,523
	LESS: ALLOCATED TO:				
	a) ELECTRICITY GENERATION (Annex-VIII)	6,331		5,798	
	b) STEAM GENERATION (Annex-VII)	11,350		10,104	
	c) RAW MATERIAL (Annex-III)	9,283		7,960	
	d) ADMIN EXPENSES (Annex-X)	51,067		48,725	
	e) SELLING & DISTRIB. EXP. (Annex-XI)	-		-	
	f) FACTORY OVERHEAD (Annex-IX)	-		-	
		-		-	
	BALANCE TRANSFERRED TO PRODUCTION PROCESS ANNEXURE-1	93,867		89,565	

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED
(Sugar Segment)

STATEMENT SHOWING COST OF STEAM / GENERATED CONSUMED
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Annexure-VII

S.NO	PARTICULARS	UNIT	2015-2016	2014-2015	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		117	137		
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)		122	116		Under-utilization of boilers is due to non-availability of sugar cane.
5	PRODUCTION:					
	a) HIGH PRESSURE STEAM		NIL	NIL		
	b) MEDIUM PRESSURE STEAM		341,834	389,289		
	c) LOW PRESSURE STEAM		-	-		
	d) LESS: TRANSIT LOSSES		17,092	19,464		
	e) TOTAL		324,742	369,825		
6	PERCENTAGE OF CAPACITY UTILIZATION (4/3 * 100)	%	72	68		

S.NO	PARTICULARS OF COST OF STEAM	2015 - 2016			2014 - 2015		
		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	324,742	0.67	216	369,825	19.46	7,195
2	FUELS:						
	a) BAGASSE:						
	I) OWN	324,742	107.89	35,037	369,825	77.51	28,666
	II) PURCHASED	-	-	-	-	-	-
	b) PITH	-	-	-	-	-	-
	c) COAL PURCHASED	-	-	-	-	-	-
	d) FURNACE OIL	-	-	-	-	-	-
	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	324,742	41.43	13,453	369,825	32.93	12,179
5	DIRECT SALARIES, WAGES AND BENEFITS (Annex-VI)	324,742	34.95	11,350	369,825	27.32	10,104
6	REPAIRS AND MAINTENANCE	324,742	1.24	403	369,825	1.11	412
7	OTHER DIRECT EXP. (Bagasse Removal Expenses)	324,742	7.95	2,582	369,825	10.81	3,998
8	INSURANCE	324,742	2.27	738	369,825	2.04	755
9	DEPRECIATION	324,742	17.28	5,612	369,825	15.07	5,573
10	OVERHEADS (Annex-IX)	324,742	24.32	7,897	369,825	23.12	8,549
	TOTAL COST OF STEAM RAISED	324,742	238.00	77,288	369,825	209.46	77,462
	LESS: OUTSIDE SALE	-	-	-	-	-	-
11	TOTAL COST OF STEAM FOR SELF CONSUMPTION	324,742	238.00	77,288	369,825	209.46	77,462
12	ADD: COST OF STEAM PURCHASED	-	-	-	-	-	-
13	TOTAL COST OF STEAM CONSUMED	324,742	238.00	77,288	369,825	209.46	77,462
	ALLOCATION						
	TOTAL OF ITEM 13 ALLOCATED TO						
	I) WHITE BAGGED SUGAR (Annex-I)	74,691		17,776	85,060		17,816
	II) ELECTRIC POWER HOUSE (Annex-VIII)	250,051		59,512	284,765		59,646
	III) OTHERS:						
	a) STAFF COLONY	-		-	-		-
	b) OFFICE BUILDING ETC.	-		-	-		-
	TOTAL	324,742	238.00	77,288	369,825	209.46	77,462

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED
(Sugar Segment)

STATEMENT OF COST OF ELECTRIC POWER PURCHASED / GENERATED AND CONSUMED
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Annexure-VIII

S.NO	PARTICULARS	2015 – 2016	2014 – 2015	VARIANCE
1	INSTALLED CAPACITY (KWH)	13,500	13,500	
2	NO OF UNITS GENERATED (KWH)			
	– TURBINE	23,176,610	21,988,360	
	– DIESEL GENERATOR	4,640	7,765	
3	NO OF UNITS PURCHASED (KWH)	115,406	115,680	
4	TOTAL (2+3)	23,296,656	22,111,805	
5	a) CONSUMPTION IN POWER HOUSE INCLUDING OTHER LOSSES	2,329,666	2,211,181	
	b) UNITS SOLD OUTSIDE	4,596,664	-	
6	NET UNITS CONSUMED (4-5)	16,370,326	19,900,624	
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 (%)	61	50	

S.NO	PARTICULARS OF COST OF ELECTRIC POWER	2015 – 2016			2014 – 2015		
		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)	20,851,584	2.85	59,512	19,784,944	3.01	59,646
2	CONSUMABLE STORES	20,851,584	0.21	4,395	19,784,944	0.30	5,921
3	SALARIES AND WAGES (Annex-VI)	20,851,584	0.30	6,331	19,784,944	0.29	5,798
4	OTHER DIRECT EXPENSES (Inspection Fee)	-	-	-	-	-	-
5	REPAIRS AND MAINTENANCE	20,851,584	0.07	1,511	19,784,944	0.04	851
6	DUTY ON ELECTRICITY (KWH)	20,851,584	0.01	185	19,784,944	0.01	176
7	GENERATOR RUNNING EXPENSES (KWH)	20,851,584	0.17	3,569	19,784,944	0.18	3,551
8	DEPRECIATION	20,851,584	0.27	5,612	19,784,944	0.28	5,573
9	OVERHEADS (Annex-IX)	20,851,584	0.44	9,270	19,784,944	0.51	10,036
	TOTAL	20,851,584	4.33	90,385	19,784,944	4.63	91,552
10	LESS: a) CREDIT FOR EXHAUST STEAM USED IN PROCESS ETC.	-	-	-	-	-	-
	b) OTHER CREDITS (IF ANY)	-	-	-	-	-	-
11	COST OF POWER GENERATED (KWH)	20,851,584	4.33	90,385	19,784,944	4.63	91,552
12	LESS: COST OF POWER SOLD/SELF CONSUMED/LOSSES	4,596,664	4.33	19,904	-	-	-
13	ADD: COST OF POWER PURCHASED (KWH)	115,406	20.90	2,412	115,680	34.65	4,008
14	TOTAL NET COST OF POWER CONSUMED (KWH)	16,370,326	4.45	72,893	19,900,624	4.80	95,560
	TOTAL AT ITEM 14 ALLOCATED TO :-						
	I) WHITE BAGGED SUGAR	14,078,480		62,519	17,701,605		85,004
	II) SELF CONSUMPTION	2,291,846		10,374	2,199,019		10,556
	III) OTHERS:						
	a) STAFF COLONY	-		-	-		-
	b) OFFICE BUILDING	-		-	-		-
	c) OTHER (SPECIFY)	-		-	-		-
	TOTAL - TRANSFER TO ANNEX-I	16,370,326	4.45	72,893	19,900,624	4.80	95,560

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED
(Sugar Segment)

STATEMENT SHOWING OTHER FACTORY OVERHEADS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Annexure-IX

S.NO	PARTICULARS	2015 – 2016		2014 – 2015	
		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)	57,387		64,271	
	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	7,747	135	9,836	153
8	REPAIRS & MAINTENANCE	3,657	64	3,972	62
9	IJARAH LEASE RENTALS	6,664	116	8,038	125
10	OTHER EXPENSES	16,267	283	15,324	238
11	TOTAL	34,335	598	37,170	578
	ALLOCATED TO :				
	a) WHITE BAGGED SUGAR (Annex-I)	17,168	299	18,585	289
	b) ELECTRIC POWER HOUSE (Annex-VIII)	9,270	162	10,036	156
	c) STEAM GENERATION (Annex-VII)	7,897	138	8,549	133
	d) OTHERS :				
	a) STAFF COLONY	-	-	-	-
	b) OFFICE BUILDING ETC.	-	-	-	-
	TOTAL AS PER ITEM 12 ABOVE	34,335	598	37,170	578

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED
(Sugar Segment)

STATEMENT SHOWING ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Annexure-X

S.NO	PARTICULARS	2015 – 2016		2014 – 2015	
		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)	57,590		61,368	
2	COST:				
	SALARIES, WAGES AND BENEFITS (Annex-VI)	51,067	887	48,725	794
	RENT, RATE AND TAXES	1,059	18	1,181	19
	INSURANCE	2,459	43	2,517	41
	WATER, GAS AND ELECTRICITY	598	10	495	8
	PRINTING AND STATIONERY	942	16	1,289	21
	TELEPHONE, FAX AND TELEX	744	13	532	9
	REPAIR AND MAINTENANCE	418	7	632	10
	TRAVELING & CONVEYANCE	3,681	64	2,870	47
	SUBSCRIPTION, BOOKS & PERIODICAL	3,531	61	1,992	32
	ENTERTAINMENT	623	11	545	9
	LEGAL & PROFESSIONAL EXPENSES	1,407	24	1,542	25
	AUDITORS REMUNERATION	1,149	20	869	14
	CHARITY AND DONATION	1,200	21	1,156	19
	DEPRECIATION	9,501	165	9,725	158
	OTHERS	1,969	34	3,499	57
	TOTAL	80,348	1,395	77,569	1,264

Chief Financial Officer

Chief Executive

SANGHAR SUGAR MILLS LIMITED
(Sugar Segment)

STATEMENT SHOWING SELLING EXPENSES
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Annexure-XI

S.NO	PARTICULARS	2015 – 2016		2014 – 2015	
		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)	57,590		61,368	
2	COST:				
	SALARIES, WAGES AND BENEFITS (Annex-VI)	-	-	-	-
	TRAVELING AND CONVEYANCE	-	-	-	-
	COMMISSION	-	-	-	-
	FREIGHT OUTWARD	-	-	-	-
	STACKING / RESTACKING	522	9	769	13
	LOADING / UNLOADING	-	-	-	-
	EXPORT EXPENSES	-	-	-	-
	VEHICLE RUNNING EXPENSES	-	-	-	-
	ADVERTISING FOR SALES PROMOTIC	-	-	-	-
	BROKERAGE & COMMISSION	-	-	-	-
	TOTAL	522	9	769	13

Chief Financial Officer

Chief Executive