



**HALF YEARLY
UNAUDITED ACCOUNTS
31ST MARCH, 2013**

SAKRAND SUGAR MILLS LIMITED



COMPANY PROFILE

BOARD OF DIRECTORS	Mr. Dinshaw H. Anklesaria Mr. Jamil Akberi Syed Abid Hussain Mr. Abdul Naeem Quraishi Mr. Neville Mehta Mrs. Fatma Gulamali Dr. Jamshed H. Anklesaria	Chief Executive/ Director Director Director Director Director Director Director
AUDIT COMMITTEE	Mr. Abdul Naeem Quraishi Mr. Jamil Akberi Mr. Neville Mehta	Chairman Member Member
HR & R COMMITTEE	Syed Abid Hussain Mr. Jamil Akberi Mr. Neville Mehta	Chairman Member Member
CHIEF FINANCIAL OFFICER	Mr. Ahsan Mukhtar, FCMA	
COMPANY SECRETARY	Mr. Mustafa Kanani	
BANKERS	Habib Bank Limited MCB Bank Limited National Bank of Pakistan Summit Bank Limited United Bank Limited	
AUDITORS	M/s. Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants	
LEGAL ADVISOR	Abdul Naeem Quraishi, Adv.	
REGISTRAR	M/s Evolution Factor (Private) Limited 407-408, Al Ameera Centre Shahrah-e-Iraq, Saddar Karachi-74400	
REGISTERED OFFICE	41-K, Block 6, P.E.C.H.S, Karachi Tel: 111-484-848 Fax: 021-34546456 www.sakrandsugar.com	
FACTORY	Deh Tharo Unar, Taluka Sakrand, District Shaheed Benazirabad, Sindh.	



DIRECTORS' REPORT

The Board of Directors presents the un-audited financial information of the Company, duly reviewed by the auditors, for the half year ended March 31, 2013.

The Company's overall performance can be seen from the following comparative statistics.

OPERATING RESULTS	2012-2013	2011-2012
Season started	30-11-2012	16-12-2011
Season closed	18-03-2013	01-04-2012
Duration of season	109	108
Sugarcane crushed	Tonnes 516,227	Tonnes 559,969
Sugar produced	Tonnes 51,050	Tonnes 54,575
Sugar recovery	% 9.890	% 9.750
Molasses produced	Tonnes 22,306	Tonnes 23,800
Molasses recovery	% 4.322	% 4.251

The Mill started crushing season on November 30, 2012 and closed on March 18, 2013. The Company focused on achieving better sucrose recovery percentage and therefore conceded at a crushing of 516,227 MT of sugarcane as compared to 559,969 MT during the corresponding period 2011-12. Sugar production of 51,050 MT was hence obtained as compared to 54,575 MT in the corresponding season at a recovery of 9.89% as compared to 9.75% respectively.

The Government of Sindh vide Notification dated November 01, 2012 fixed sugarcane minimum price for the season 2012-13 at Rs. 172 per 40 kg and Rs. 0.50 per 40 kg for each 0.1 percent of excess sucrose recovery above 8.7 percent as quality premium. The price has been enhanced from Rs. 154 per 40 kg to an increase of 12 percent in the cost of this basic raw material. The industry is continuously agitating the unilateral increase in basic raw material prices without relating proportion with the sugar prices. The Government allowed incentives against export of sugar, however, the fall in international prices reduced the impact of profitability.

Season 2012-13 was a bumper crop for Pakistan as regards sugarcane production is concerned. Consequently, the sugar produced exceeds the current demand of consumption, which kept prices, even below cost.

The auditors have repeated their qualifications on the issues as of annual audited accounts for the year ended September 30, 2012, accordingly, the management has clarified the same.

The management / labour relations remained very cordial and helpful. I take this opportunity to thank and appreciate the spirit of understanding, good will and co-operation shown by our workers and the creditors and wish to place on record my appreciation for the devotion, sense of responsibility and loyalty.

Dinshaw H. Anklesaria

Chief Executive

Dated: May 30, 2013



REVIEW REPORT TO THE MEMBERS

Introduction

We have reviewed the accompanying condensed interim balance sheet of Sakrand Sugar Mills Limited ("the Company") as at March 31, 2013 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity for the period then ended together with the notes forming part thereof (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of the interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on the interim financial information based on our review.

Scope of the Review

We conducted our review in accordance with International Standards on Review Engagements 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity'. A review of interim financial information consist of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

1. As discussed in the Financial Statements for the year ended September 30, 2012 and our audit report thereon, the Company had prematurely derecognized bank liabilities amounting to Rs.241.815 million in pursuance of rescheduling agreements with respective banks in year 2009 and transferred the said amount to income for the year ended on September 30, 2009 which, in our opinion, is not in accordance with the International Financial Reporting/Accounting Standards, as the conditions set for extinguishment of liability will be met by 2019 on the maturity of rescheduling package. Therefore, the amount of the bank liabilities and accumulated loss as shown in this financial information continue to be understated by Rs.241.815 million both for the current and comparative period presented in this financial information.
2. As discussed in Note 8.1 to the Financial Information, the Company continues to defer accrual markup on the long term liability of IDBP since October 1, 2009 as per terms of rescheduling agreement of loan with IDBP reached in financial year 2009. For the reason that the Company is in litigation with IDBP for redetermination of liability it considers an amount of Rs. 28 million as markup on markup included in the total liability. The said amount of markup over charged and the amount of markup deferred is shown under contingency in note 8.1 to the financial statement. This practice, in our opinion is not in accordance with the International Financial Reporting/Accounting Standards. Had the markup been accrued as above, the amount of current period loss would have been higher by Rs. 8.472 million and accumulated loss would have been higher by Rs. 59.392 with corresponding increase in the current liabilities.
3. In respect of long term liability of Rs. 31.65 million (2012: Rs. 31.65 million) of MCB Bank Limited, confirmation from the bank has remained un responded. The Company had accrued markup on the said balance from the year 2001 to year 2008 of Rs. 17.22 million but stopped accruing since 2008, as it had sought settlement of liability with the bank. Had the total markup been charged by the Company the amount in current period loss would have been higher by Rs. 1.582 million and accumulated loss would have been higher by Rs. 22.33 million with corresponding increase in current liability. However, we could not verify the total markup to date as charged by the Bank.



4. As discussed in note 6 to this financial information, the trade debtors of the Company are overdue and outstanding since year 2009-2010. The Company considers the amount as good and has not made a provision against this balance owing to the reason stated in the said note. However, our request for confirmation of balance direct from the customer has remained un-responded and no payment was received during the period. Therefore, we could not ascertain the amount of provision which is required against the said outstanding balance of trade debts in the financial information.

Qualified Conclusion

Based on our review, except for the effects of the matters described in the preceding paragraph 1,2,3 & possible effect of matter stated in paragraph 4, nothing has come to our attention which cause us to believe that the accompanying condensed interim financial information as at March 31, 2013 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.

Other Matters

The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended March 31, 2013 and 2012 have not been reviewed, as we are required to review only the cumulative figures for the period ended March 31, 2013.

Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants
Engagement Partner: Muhammad Rafiq Dosani

Karachi:
Dated: May 30, 2013



CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2013

	Unaudited March 31, 2013	Audited September 30, 2012		
	(Rupees)			
ASSETS				
NON CURRENT ASSETS				
Property, plant and equipment	5	1,603,967,103		
Long term investments		106,422,592		
Long term loans		311,156		
Long term deposits		1,520,166		
CURRENT ASSETS				
Stores, spares and loose tools		25,683,140		
Stock in trade		854,264,328		
Trade debts - unsecured (considered good)	6	273,210,451		
Loans and advances		16,083,409		
Prepayments and other receivables		12,451,556		
Taxation refundable		11,610,073		
Cash and bank balances		11,388,407		
		1,204,691,364		
		2,916,912,381		
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Authorized capital				
25,000,000 (September 30, 2012: 25,000,000)		250,000,000		
Ordinary shares of Rs. 10/- each		250,000,000		
Issued, subscribed and paid-up capital		223,080,000		
Accumulated loss		(449,920,524)		
		(226,840,524)		
SURPLUS ON REVALUATION OF FIXED ASSETS		765,464,134		
LIABILITIES				
NON CURRENT LIABILITIES				
Deferred taxation		293,614,540		
Long term finance - secured		325,968,847		
- Markup bearing		6,418,046		
- Markup free		332,386,893		
Provision for gratuity		6,068,067		
CURRENT LIABILITIES				
Trade and other payables	7	968,177,191		
Short term borrowings		615,611,378		
Markup accrued		43,412,652		
Current portion of non current liabilities		119,018,050		
		1,746,219,271		
CONTINGENCIES AND COMMITMENTS	8	2,916,912,381		
		2,451,237,743		

The annexed notes from 1 to 14 form an integral part of these financial information.

Dinshaw H. Anklesaria

Chief Executive/Director

Syed Abid Hussain

Director

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE HALF YEAR AND QUARTER ENDED MARCH 31, 2013
(UN-AUDITED)**

Note	For the Half Year ended		For the Quarter ended	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
	(R u p e e s)			
Sales - net	9	1,983,558,837	1,406,521,136	1,225,190,219
Cost of sales	10	(2,051,199,267)	(1,311,615,889)	(1,291,297,773)
Gross (loss) / profit		(67,640,430)	94,905,247	(66,107,554)
Operating expenses				
Administrative expenses		(61,930,455)	(60,032,668)	(34,279,474)
Distribution cost		(3,296,339)	(2,327,762)	(2,575,596)
Operating (loss) / profit		(65,226,794)	(62,360,430)	(36,855,070)
		(132,867,224)	32,544,817	(102,962,624)
				50,313,015
Other charges		(9,858,965)	(9,416,790)	(9,790,965)
Other income		794,235	5,140,492	330,438
		(9,064,730)	(4,276,298)	(9,460,527)
Unrealized gain on amortization of loans / investments		7,874,896	1,702,291	4,827,443
Finance cost		(38,581,919)	(37,688,525)	(23,203,384)
(Loss) / Profit before taxation		(172,638,977)	(7,717,715)	(130,799,092)
Taxation				
Current		(10,376,879)	(14,065,463)	(6,585,001)
Deferred		-	(11,615,575)	-
		(10,376,879)	(25,681,038)	(6,585,001)
(Loss) / Profit after taxation		(183,015,856)	(33,398,753)	(137,384,093)
Earnings per share- basic and diluted		Rs.(8.20)	Rs.(1.50)	Rs.(6.16)
				Rs.0.16

The annexed notes from 1 to 14 form an integral part of these financial information.

Dinshaw H. Anklesaria
Chief Executive/Director

Syed Abid Hussain
Director



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR AND QUARTER ENDED MARCH 31, 2013
(UN-AUDITED)**

	For the Half Year ended	For the Quarter ended	
	March 31, 2013	March 31, 2012	March 31, 2013
	(R u p e e s)		
(Loss) / Profit for the period	(183,015,856)	(33,398,753)	(137,384,093)
Other comprehensive income			
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation net of deferred tax	24,611,762	15,119,299	12,305,881
Total comprehensive loss for the period transferred to equity	<u>(158,404,094)</u>	<u>(18,279,454)</u>	<u>(125,078,212)</u>
			<u>11,069,561</u>

The annexed notes from 1 to 14 form an integral part of these financial information.

Dinshaw H. Anklesaria
Chief Executive/Director

Syed Abid Hussain
Director

**CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED MARCH 31, 2013
(UN-AUDITED)**

March 31, 2013	March 31, 2012
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(R u p e e s)

CASH FLOW FROM OPERATING ACTIVITIES

(Loss) before taxation	(172,638,977)
	(7,717,715)

Adjustments for :

Depreciation	41,545,726	31,989,705
Impairment loss on non factory building	-	5,768,065
Financial cost	38,581,919	37,688,525
Gain on disposal of property, plant and equipment	(456,897)	(124,842)
Gain on amortisation of loans / investments	(7,874,896)	(1,702,291)
Provision for gratuity	601,850	569,822
	72,397,702	74,188,984
Operating (loss) / profit before working capital changes	(100,241,275)	66,471,269

Changes in working capital

(Increase) / Decrease in current assets

Stores, spares and loose tools	4,033,127	(1,976,167)
Stock in trade	(421,903,802)	(1,071,373,175)
Trade debts	(88,401,769)	38,844,265
Loans and advances	10,010,382	5,913,074
Prepayments and other receivables	4,694,157	(1,450,817)
	(491,567,905)	(1,030,042,820)
Increase / (Decrease) in current liabilities	(591,809,180)	(963,571,551)

Increase / (Decrease) in current liabilities

Trade and other payables	469,864,080
	903,735,912

Cash used in operating activities

Taxes paid	(9,691,074)	(31,249,947)
Financial cost paid	(36,858,331)	(39,713,788)
Gratuity paid	(607,292)	(652,811)
	(47,156,697)	(71,616,546)
Net cash used in operating activities	(169,101,797)	(131,452,185)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment	(4,382,822)	(8,956,004)
Proceeds from disposal of property, plant and equipment	755,000	1,218,325
Long term loans	(165,880)	(105,828)
Net cash used in investing activities	(3,793,702)	(7,843,507)



	March 31, 2013	March 31, 2012
	————— (R u p e e s) ————	
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of long term finance	(16,666,666)	(16,666,666)
Net cash used in financing activities	(16,666,666)	(16,666,666)
Net decrease in cash and cash equivalents	(189,562,165)	(155,962,358)
Cash and cash equivalents at the beginning of the period	(414,660,806)	(239,824,451)
Cash and cash equivalents at the end of the period	(604,222,971)	(395,786,809)
Cash and cash equivalents comprises of :		
Short term finances	(615,611,378)	(408,224,997)
Cash and bank balances	11,388,407	12,438,188
	(604,222,971)	(395,786,809)

The annexed notes from 1 to 14 form an integral part of these financial information.

Dinshaw H. Anklesaria
Chief Executive/Director

Syed Abid Hussain
Director



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED MARCH 31, 2013
(UN-AUDITED)

	Issued, Subscribed & Paid-up Capital	Accumulated Loss	Total
	(R u p e e s)		
Balance as at October 1, 2011	223,080,000	(192,351,248)	30,728,752
Total comprehensive loss for the half year		(18,279,454)	(18,279,454)
Balance as at March 31, 2012 (Un-audited)	<u>223,080,000</u>	<u>(210,630,702)</u>	<u>12,449,298</u>
Balance as at April 1, 2012	223,080,000	(210,630,702)	12,449,298
Total comprehensive loss for the half year		(80,885,728)	(80,885,728)
Balance as at September 30, 2012 (Audited)	<u>223,080,000</u>	<u>(291,516,430)</u>	<u>(68,436,430)</u>
Balance as at October 1, 2012	223,080,000	(291,516,430)	(68,436,430)
Total comprehensive loss for the half year		(158,404,094)	(158,404,094)
Balance as at March 31, 2013 (Un-audited)	<u>223,080,000</u>	<u>(449,920,524)</u>	<u>(226,840,524)</u>

The annexed notes from 1 to 14 form an integral part of these financial information.

Dinshaw H. Anklesaria
 Chief Executive/Director

Syed Abid Hussain
 Director



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED MARCH 31, 2013 (UN-AUDITED)

1 THE COMPANY AND ITS OPERATIONS

Sakrand Sugar Mills Limited (the Company) was incorporated in Pakistan on March 02, 1989, as a public limited company. The Company is listed on Karachi and Lahore Stock Exchanges. The principal business of the Company is to manufacture and sell white sugar. The manufacturing facilities of the Company including mill are located at Deh Tharo Unar, Taluka Sakrand, District Shaheed Benazirabad, Sindh.

1.1 Seasonality of Operations

Due to the seasonal availability of sugarcane during the period beginning from November to March next year, the Company's production facilities operated at full capacity during the period covered under this interim financial information. Therefore, costs of production and stock levels are expected to decline in the upcoming half year compared to the period covered under this interim financial information.

2 STATEMENT OF COMPLIANCE

- 2.1 The condensed interim financial information are un-audited and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Karachi and Lahore Stock Exchange. The condensed interim financial information have been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan. The condensed interim financial information do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended September 30, 2012. The figures for the half year ended March 31, 2013 have been subject to limited scope review by the auditors as required by the Code of Corporate Governance.
- 2.2 This condensed interim financial information comprises of the condensed interim balance sheet as at March 31, 2013 and the condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and the condensed interim cash flow statement for the half year then ended which have been subject to a review but not audited. This condensed interim financial information also includes the condensed interim profit and loss account for the quarter ended March 31, 2013 which is not subject to a review.
- 2.3 The comparative condensed balance sheet, presented in this condensed interim financial information, as at September 30, 2012 has been extracted from the annual audited financial statements of the Company for the year ended September 30, 2012 whereas the comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement for the half year ended March 31, 2012 have been extracted from the condensed interim financial information for the half year ended March 31, 2012 which were subject to a review but not audited. The comparative condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended March 31, 2012 included in this condensed interim financial report was not subject to a review.



3 SIGNIFICANT ACCOUNTING POLICIES

These interim financial information have been prepared using the same accounting convention, basis of preparation and significant accounting policies as those applied in the preparation of the audited financial statements for the year ended September 30, 2012.

4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the condensed interim financial information in conformity with approved accounting standards require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing the condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the preceding published annual financial statements of the Company as at and for the year ended September 30, 2012.

5 PROPERTY, PLANT AND EQUIPMENT

	March 31, 2013	September 30, 2012
	(Rupees)	
Opening WDV	1,641,428,110	1,177,285,293
Additions to property, plant and equipment during the period		
Non factory building	335,370	351,106
Plant and machinery	2,000,000	1,025,000
Office equipment and others	164,900	561,100
Furniture and fixtures	191,500	92,000
Vehicles	1,691,052	17,038,585
Tents and tarpaulins	-	535,000
	4,382,822	19,602,791
Disposals	(298,103)	(7,683,608)
Revaluation surplus	-	522,353,759
Depreciation for the period	(41,545,726)	(70,130,125)
Closing WDV	1,603,967,103	1,641,428,110



6 TRADE DEBTS

This includes trade debts due from a customer amounting to Rs.184.299 million (September 30, 2012: 184.299 million) against sale of molasses in the year 2009 - 10. The terms of sales stipulated payment against delivery based on which the amount is overdue and balance remained outstanding till period end .The management expects to recover the amount in full in due course of time.

7 SHORT TERM FINANCES

		March 31, 2013	September 30, 2012
		(R u p e e s)	
National Bank of Pakistan			
- Running Finance	7.1	120,611,378	114,919,171
- Cash Finance	7.2	425,000,000	300,000,000
		545,611,378	414,919,171
Summit Bank Limited			
- Cash Finance	7.3	70,000,000	5,137,285
		615,611,378	420,056,456

7.1 Running Finance Facility:

Purpose:

To finance the working capital requirements of the Company and for procurement of sugarcane.

Mark up rate:

3 months KIBOR + 2.5% p.a.

Security:

1- First pari passu hypothecation charge over plant, machinery and equipment, and first equitable mortgage charge over land and building of the Company of Rs.167 Million with 25% margin.

2- Personal guarantees of all the directors of the Company.

Unavailed Facility

As on March 31, 2013, the Company has an unavailed facility amounting to Rs. 4,388,622.

7.2 Cash Finance Facility:

Purpose:

To finance the working capital requirements of the Company and for procurement of sugarcane.

Mark up rate:

3 months KIBOR + 2.5% p.a.

Security:

1- Pledge of 11.806 metric ton refined sugar stock with 25% margin amounting to Rs. 566.667 million.

2- Personal guarantees of the directors of the Company.



7.3 Summit Bank Limited - Cash Finance Facility:

Purpose:

To finance the Company for procurement of sugarcane and raw sugar.

Mark up rate:

3 month KIBOR (ask) + 3.5% p.a.

Security:

- 1- Pledge of 1,950 metric ton of refined sugar stock with 25% margin amounting to Rs. 93.6 million.
- 2- Personal Guarantees of the directors of the Company.

8 CONTINGENCIES AND COMMITMENTS

Contingencies

The status of contingencies is same as that disclosed in annual audited accounts for the year ended September 30, 2012 except for the changes disclosed below:

- 8.1 In respect of loan amounting to Rs.130 million of Industrial Development Bank of Pakistan (IDBP) restructured in 2009, the Company filed a suit in the High Court of Sindh, Karachi disputing the amount of liability on the ground that it includes markup on markup amounting to Rs. 28 million which is not permissible under the law. A stay has been granted by the Court which is continuing. Accordingly the Company has not charged markup for the period amounting to Rs. 8.472 million and accumulated mark-up from 01 April, 2010 to 31 March, 2013 amounting to Rs. 59.392 million. Similarly the Company is in negotiation with MCB Bank Limited for settlement of liability and a markup of Rs.39.567 million from year 2001 to period end due to the reason that the Company expects to settle the amount at lower than amount as appearing in the books.

Commitments

In respect of the quantity of 6,806 Metric Tons (September 30,2012: 1,439 Metric Tons) representing un-lifted delivery orders (DOs) of sugar having an aggregate value of Rs. 319.7 million (September 30,2012: Rs.68.5 million). The advances received on or before March 31, 2013 against these DOs amounted to Rs. 265.1 million (September 30, 2012: Rs.35.9 million). The sales is to be recognized when the said delivery orders are lifted.

9 SALES - Net

	March 31, 2013	March 31, 2012
	(R u p e e s)	
Gross sales		
Local	2,024,378,275	1,512,405,341
Export	89,447,908	-
Less: Sales tax & federal excise duty	<u>2,113,826,183</u> <u>(130,267,346)</u> <u>1,983,558,837</u>	<u>1,512,405,341</u> <u>(105,884,205)</u> <u>1,406,521,135</u>



10 COST OF SALES

Note		Half year ended		Quarter ended	
		March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
		(Rupees)			
Sugarcane consumed		2,309,097,943	2,248,923,600	1,525,058,462	1,960,892,868
Manufacturing expenses	10.1	164,005,126	134,065,464	95,211,810	91,946,227
		<u>2,473,103,069</u>	<u>2,382,989,064</u>	<u>1,620,270,272</u>	<u>2,052,839,095</u>
Sugar in process					
- opening		4,288,604	4,821,704	40,026,222	45,956,234
- closing		(5,379,036)	(4,277,555)	(4,784,372)	(4,277,555)
		<u>(1,090,432)</u>	<u>544,149</u>	<u>35,241,850</u>	<u>41,678,679</u>
Sugar					
- opening		420,309,817	320,449,566	355,169,345	189,948,891
- closing		(841,885,292)	(1,325,286,095)	(881,428,914)	(1,325,286,095)
		<u>(421,575,475)</u>	<u>(1,004,836,529)</u>	<u>(526,259,569)</u>	<u>(1,135,337,204)</u>
Molasses					
- opening		7,762,105	43,829,940	69,783,222	61,329,940
- closing		(7,000,000)	(110,910,735)	(7,000,000)	(110,910,735)
		<u>762,105</u>	<u>(67,080,795)</u>	<u>62,783,222</u>	<u>(49,580,795)</u>
		<u>2,051,199,267</u>	<u>1,311,615,889</u>	<u>1,192,035,775</u>	<u>909,599,775</u>

10.1 Manufacturing expenses

Stores and spares consumed	39,137,778	37,036,317	27,228,920	32,573,264
Fuel and power	9,685,638	10,220,031	4,263,492	5,336,949
Salaries, wages including bonus and staff amenities	38,400,636	31,998,217	23,187,711	20,698,766
Repair and maintenance	38,046,290	23,034,476	18,201,922	14,718,093
Vehicle maintenance	689,966	872,270	351,419	431,835
Insurance	2,600,839	2,549,603	1,313,647	1,466,028
Depreciation	29,513,090	23,192,849	14,769,045	11,598,768
Others	5,930,889	5,161,701	5,895,654	5,122,524
	<u>164,005,126</u>	<u>134,065,464</u>	<u>95,211,810</u>	<u>91,946,227</u>



10.2 Sugar Stock

Sugar Stock is valued at NRV.

11 RELATED PARTY TRANSACTIONS

The related parties comprise of directors, key management personnel and retirement benefits plan established for the benefits of the employees. There have been no transactions with related parties except for the following:

	Half Year Ended	March 31,	March 31,
	2013	2012	
	(R u p e e s)		
Significant transactions with the related parties during the half year ended are as follows:			
Chief Executive and Directors remuneration	8,855,472	7,729,150	

12 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management objectives and policies used to meet these objectives were same as being followed as at September 30, 2012.

13 AUTHORIZATION FOR ISSUE

These condensed interim financial information have been authorized for issue on May 30, 2013 by the Board of Directors of the Company.

14 GENERAL

Figures have been rounded off to the nearest rupee.

Dinshaw H. Anklesaria
Chief Executive/Director

Syed Abid Hussain
Director

CORPORATE 2635026-7

BOOK POST
UNDER POSTAL CERTIFICATE



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