

# 1ST QUARTER UNAUDITED ACCOUNTS December 31, 2013

## CASH FLOW STATEMENT FOR THE FIRST QUARTER ENDED DECEMBER 31, 2013 (UNAUDITED)

	1st Quarter December 2013	1st Quarter December 2012
	(Rupees)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(110,606,353)	(41,839,885)
Adjustments for:		
Depreciation	19,521,150	20,795,324
Finance cost	11,969,906	15,378,535
Provision for gratuity	(3,417,719)	30,925
Gain on amortisation of investment	(3,047,453)	(3,047,453)
Gain on disposal of property, plant & equipment	(456,897)	(456,897)
	<b>28,073,337</b>	<b>32,970,434</b>
Operating loss before working capital changes	(82,533,016)	(8,869,451)
Changes in working capital		
(Increase) / Decrease in current assets		
Stores, spares and loose tools	(400,136)	745,744
Stock in trade	(166,792,038)	(32,618,623)
Trade debts	(710,365)	(662,200)
Loans and advances	6,434,532	5,369,118
Prepayments and other receivables	141,841	2,310,401
	<b>(161,326,166)</b>	<b>(24,855,200)</b>
	<b>(243,859,182)</b>	<b>(33,724,651)</b>
Increase / (Decrease) in current liabilities		
Trade and other payables	491,759,822	300,013,642
Cash generated from operations	247,900,640	266,288,991
Taxes paid	(3,367,909)	(3,745,229)
Finance cost paid	(21,444,701)	(26,706,821)
Gratuity paid	(245,899)	(283,325)
	<b>(248,858,509)</b>	<b>(30,735,375)</b>
<b>Net cash generated from operating activities</b>	<b>223,042,131</b>	<b>235,553,616</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(604,468)	(2,090,927)
Proceeds from disposal of property, plant and equipment		755,000
Long term loans	(175,524)	(8,105)
	<b>(779,992)</b>	<b>(1,344,032)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long term finances	(8,333,333)	(8,333,333)
Repayment of short term finances	(69,196,945)	(220,513,680)
	<b>(77,530,278)</b>	<b>(228,846,401)</b>
Net cash used in financing activities		
Net increase / (decrease) in cash and cash equivalents	144,731,861	5,363,183
Cash and cash equivalents at the beginning of the period	4,959,712	5,395,650
Cash and cash equivalents at the end of the period	<b>149,691,573</b>	<b>10,758,833</b>
Cash and cash equivalents comprises of:		
Cash and bank balances	<b>149,691,573</b>	<b>10,758,833</b>

The annexed notes form an integral part of these financial statements.

**DINSHAW H. ANKLESARIA**  
Chief Executive / Director

Dated: January 29, 2014

**SYED ABID HUSSAIN**  
Director

**DINSHAW H. ANKLESARIA**  
Chief Executive / Director  
Dated: January 29, 2014

**SYED ABID HUSSAIN**  
Director

## STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED DECEMBER 31, 2013 (UNAUDITED)

	Issued, subscribed & paid-up capital	Accumulated Loss	Total
	(R u p e e s)		
Balance as at October 01, 2012	223,080,000	(287,403,942)	(64,323,942)
Total Comprehensive (loss) / income			
- Net loss for the period		(45,631,763)	(45,631,763)
- Other comprehensive income		12,305,881	12,305,881
Balance as at December 31, 2012	<b>223,080,000</b>	<b>(320,729,824)</b>	<b>(97,649,824)</b>
Balance as at October 01, 2013	223,080,000	(569,463,570)	(346,383,570)
Total Comprehensive (loss) / income			
- Net loss for the period		(110,606,353)	(110,606,353)
- Other comprehensive income		11,471,124	11,471,124
Balance as at December 31, 2013	<b>223,080,000</b>	<b>(668,598,799)</b>	<b>(445,518,799)</b>

**SAKRAND SUGAR MILLS LIMITED**  
41-K, BLOCK-6, P.E.C.H.S., KARACHI-75400, PAKISTAN.  
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## COMPANY PROFILE

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

## DIRECTORS' REPORT

On behalf of the Board of Directors, it is my privilege to present to you the unaudited interim condensed financial statements of the Company for the first quarter ended December 31, 2013.

The financial results show an operating loss of Rs. 101.83 million and pre-tax loss of Rs. 110.61 million as compared to operating loss of Rs. 29.9 million and pre-tax loss of Rs. 41.84 million of the corresponding year 2012-13.

### OPERATING RESULTS

	2013-14	2012-13
Season started	01-Nov-13	30-Nov-12
Duration of season	61	32
Sugarcane crushed	Tonnes 315,971	168,011
Sugar produced	Tonnes 25,955	14,945
Sugar recovery	% 8.604	9.351
Molasses produced	Tonnes 13,207	6,850
Molasses recovery	% 4.322	4.251

The mill started crushing on November 01, 2013 and till closing date of quarter i.e. December 31, 2013, total crushing was 315,971 M.T. producing 25,955 M.T. of sugar with an average recovery of 8.604% as compared to previous year's crushing of 168,011 M.T. producing 14,945 M.T. of sugar with an average recovery of 9.351%.

The Government of Sindh vide notification dated December 11, 2013 fixed the minimum sugarcane support price for the season 2013-14 at Rs. 172 per 40 kg (2012-13: 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.

This year, the country is again expected to cross the 5 million tonne mark in sugar production. The prices of sugar are on pressure due to the surplus production and the fall of sugar prices in the international market. The government is however supporting the industry by allowing export of sugar and purchasing through Trading Corporation of Pakistan (TCP). The export will however reduce the gap in demand and supply and will thus stabilise the sugar prices in the country.

### Dinshaw H. Anklesaria

Chief Executive  
Dated: January 29, 2014

## BALANCE SHEET AS AT DECEMBER 31, 2013

Un-audited December 31, 2013      Audited September 30, 2013  
———(Rupees)———

### ASSETS

#### NON CURRENT ASSETS

Property, plant and equipment	1,549,395,746	1,568,312,424
Long term investments	115,935,218	112,517,500
Long term loans	413,972	238,448
Long term deposits	1,591,366	1,591,366

#### CURRENT ASSETS

Stores, spares and loose tools	24,937,442	24,537,306
Stock in trade	455,088,471	288,296,433
Trade debts - unsecured (considered good)	185,713,857	185,003,492
Loans and advances	12,874,774	19,309,306
Prepayments and other receivables	7,899,930	8,041,771
Taxation refundable	26,923,854	23,555,945
Cash and bank balances	149,691,573	4,959,712
	863,129,901	553,703,965
	2,530,466,203	2,236,363,703

### EQUITY AND LIABILITIES

#### SHARE CAPITAL AND RESERVES

Authorised capital	250,000,000	250,000,000
25,000,000 Ordinary Shares of Rs.10/- each		
Issued, subscribed and paid-up capital	223,080,000	223,080,000
(668,598,799)	(569,463,570)	(346,383,570)
(445,518,799)		

#### SURPLUS ON REVALUATION ON FIXED ASSETS

738,066,620	745,637,561
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#### LIABILITIES

#### NON CURRENT LIABILITIES

Deferred taxation	279,811,260	283,711,454
Long term finance - secured		
- Markup bearing	301,774,768	310,108,101
- Markup free	6,516,548	6,516,548
	308,291,316	316,624,649

#### PROVISION FOR GRATUITY

6,273,660	6,519,559
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#### CURRENT LIABILITIES

Trade and other payables	1,185,431,466	693,671,630
Short term borrowings	310,947,902	380,144,847
Mark up accrued	28,144,728	37,419,523
Current portion of non current liabilities	119,018,050	119,018,050
	1,643,542,146	1,230,254,050
	2,530,466,203	2,236,363,703

The annexed notes form an integral part of these financial statements.

**DINSHAW H. ANKLESARIA**

Chief Executive / Director

Dated: January 29, 2014

**SYED ABID HUSSAIN**

Director

Dated: January 29, 2014

## PROFIT AND LOSS ACCOUNT FOR THE FIRST QUARTER ENDED DECEMBER 31, 2013

1st Quarter December 2013      1st Quarter December 2012  
———(Rupees)———

1,213,410,544  
(1,282,559,521)

758,368,618  
(759,901,494)

(69,148,977)

(1,532,876)

(30,811,458)  
(1,874,132)

(27,650,981)  
(720,743)

(32,685,590)

(28,371,724)

(101,834,567)

(29,904,600)

(11,969,906)  
(224,960)

(15,378,535)  
(68,000)

5,361  
(12,189,505)

463,797  
(14,982,738)

(114,024,072)

(44,887,338)

3,417,719

3,047,453

(110,606,353)

(41,839,885)

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(3,791,878)  
(3,791,878)

(110,606,353)

(45,631,763)

(4.96)

(2.05)

The annexed notes form an integral part of these financial statements.

**DINSHAW H. ANKLESARIA**

Chief Executive / Director

Dated: January 29, 2014

**SYED ABID HUSSAIN**

Director

Dated: January 29, 2014