



CASH FLOW STATEMENT
FOR THE FIRST QUARTER ENDED DECEMBER 31, 2015
(UNAUDITED)

	1st Quarter December 2015	1st Quarter December 2014
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(106,484,739)	(69,454,190)
Adjustments for:		
Depreciation	30,677,801	32,612,605
Finance cost	5,659,976	11,819,465
Provision for gratuity	-	-
Gain on amortisation of investment	(4,298,679)	(3,832,972)
Gain on disposal of property, plant & equipment	-	-
	32,039,098	40,599,098
Operating loss before working capital changes	(74,445,641)	(28,855,092)
Changes in working capital		
(Increase) / Decrease in current assets		
Stores, spares and loose tools	1,827,824	1,540,167
Stock in trade	(238,301,206)	(4,420,675)
Trade debts	(584,149)	(17,498,250)
Loans and advances	1,183,235	(58,830,183)
Prepayments and other receivables	(169,017)	4,041,064
	(236,043,313)	(75,167,877)
Increase / (Decrease) in current liabilities	(310,488,954)	(104,022,969)
Cash generated from operations	344,726,472	336,202,633
	34,237,518	232,179,664
Taxes paid	(3,901,261)	(832,010)
Finance cost paid	(8,143,980)	(21,791,933)
Gratuity paid	(55,518)	-
	(12,100,859)	(22,623,943)
Net cash generated from operating activities	22,136,659	209,555,721
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(176,500)	(17,700)
Proceeds from disposal of property, plant and equipment	-	-
Long term deposits	-	165,083
Long term loans	27,934	8,928
Net cash used in investing activities	(148,566)	156,311
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term finances	(8,333,333)	(8,333,333)
Repayment of short term finances	-	(198,825,916)
Net cash used in financing activities	(8,333,333)	(207,159,249)
Net increase / (decrease) in cash and cash equivalents	13,654,760	2,552,783
Cash and cash equivalents at the beginning of the period	7,353,819	31,600,756
Cash and cash equivalents at the end of the period	21,008,579	34,153,539
Cash and cash equivalents comprises of:		
Cash and bank balances	21,008,579	34,153,539

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

DINSHAW H. ANKLESARIA
Chief Executive / Director
Dated: January 29, 2016

SYED ABID HUSSAIN
Director



STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED DECEMBER 31, 2015
(UNAUDITED)

	Issued, subscribed & paid-up capital	Accumulated Loss	Total
	(Rupees)		
Balance as at October 01, 2014	223,080,000	(718,799,054)	(495,719,054)
Total comprehensive loss			
- Net loss for the period		(228,160,745)	(228,160,745)
- Other comprehensive income		65,246,082	65,246,082
Balance as at September 30, 2015	223,080,000	(881,713,717)	(658,633,717)
Balance as at October 01, 2015	223,080,000	(881,713,717)	(658,633,717)
Total comprehensive loss			
- Net loss for the period		(106,484,739)	(106,484,739)
- Other comprehensive income		-	-
Balance as at December 31, 2015	223,080,000	(988,198,456)	(765,118,456)

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2015

- These financial statements are unaudited and are being submitted to the shareholders as required by the Securities and Exchange Commission of Pakistan vide circular No.2(52)SE/2001 dated November 05, 2001, with reference to SRO No. 764(1)/2001.
- These financial statements have been prepared in compliance with the requirements of International Accounting Standards-34 "Interim financial reporting" as adopted by the Institute of Chartered Accountants of Pakistan which are applicable to the Company.
- The accounting policies and method of computation allowed for the preparation of these accounts are same as those applied in the preparation of the preceding annual accounts of the Company for the year ended September 30, 2015.
- Figures have been rounded off to the nearest rupee.

DINSHAW H. ANKLESARIA
Chief Executive / Director
Dated: January 29, 2016

SYED ABID HUSSAIN
Director



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1ST QUARTER
UNAUDITED ACCOUNTS
December 31, 2015

SAKRAND SUGAR MILLS LIMITED

CORPORATE

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. Farhjad Badar	
COMPANY SECRETARY	Mr. Mustafa Kanani	
BANKERS	Allied Bank Limited Habib Bank Limited MCB Bank Limited National Bank of Pakistan Sindh Bank Limited Summit Bank Limited United Bank Limited	
AUDITORS	M/s. Haroon Zakaria & Co. Chartered Accountants	
LEGAL ADVISOR	Abdul Naeem Quraishi, Adv.	
REGISTRAR	JWAFFS Registrar Services (Private) Limited 407-408, Al Aameera Centre Shahrah-e-Iraq, Saddar Karachi-74400	
REGISTERED OFFICE	41-K, Block 6, P.E.C.H.S., Karachi. Fax: 021-34546456 www.sakrandugar.com	
FACTORY	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, 2015.

The financial results show an operating loss of Rs. 105.126 million and pre-tax loss of Rs. 106.485 million as compared to operating loss of Rs. 61.397 million and pre-tax loss of Rs. 69.454 million of the corresponding year 2014-15.

OPERATING RESULTS	2015-16	2014-15
Season started	24-Nov-15	05-Dec-14
Duration of season	38	27
Sugarcane crushed	Tonnes 115,614	133,503
Sugar produced	Tonnes 10,405	12,015
Sugar recovery	% 9.5611	9.345
Molasses produced	Tonnes 4,660	5,461
Molasses recovery	% 4.412	4.384

The mill started crushing on November 24, 2015 and till closing date of quarter i.e. December 31, 2015, total crushing was 115,614 M.T. producing 10,405 M.T. of sugar with an average recovery of 9.5611% as compared to previous year's crushing of 133,503 M.T. producing 12,015 M.T. of sugar with an average recovery of 9.345%.

The Government of Sindh vide notification No.8/(142)/S.O(Ext)95-XXIII dated January 04, 2016 fixed the minimum sugarcane support price for the season 2015-16 at Rs. 172 per 40 kg (2014-15: 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, due to the shortage of sugarcane availability and supply, the growers are demanding much higher prices over and above the minimum support price of Rs.172 per 40 kg. This has resulted in a serious price war amongst the sugar mills. All the mills are procuring sugarcane at exorbitant rates which ultimately affects the prices of sugar. Further the company is also under immense pressure of growers regarding their outstanding payments.

Beside heavy losses of the company and all the hardships facing by the industry the management of the company is doing their best efforts to keep smooth operations of the company and to keep going the company.

Dinshaw H. Anklesaria
Chief Executive
Dated: January 29, 2016

BALANCE SHEET AS AT DECEMBER 31, 2015

	Un-audited December 31, 2015	Audited September 30, 2015
	(Rupees)	
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	2,438,368,689	2,468,869,990
Long term investments	145,818,943	141,520,264
Long term loans	291,057	318,991
Long term deposits	1,431,282	1,431,282
CURRENT ASSETS		
Stores, spares and loose tools	27,281,621	29,109,445
Stock in trade	246,934,089	8,632,883
Trade debts - unsecured (considered good)	133,132,582	132,548,433
Loans and advances	44,689,626	45,872,861
Prepayments and other receivables	13,178,091	13,009,074
Taxation refundable	43,412,509	39,511,148
Cash and bank balances	21,008,579	7,353,819
	529,637,097	276,037,663
	<u>3,115,547,068</u>	<u>2,888,178,190</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised capital	25,000,000	25,000,000
25,000,000 Ordinary Shares of Rs.10/- each	250,000,000	250,000,000
Issued, subscribed and paid-up capital	223,080,000	223,080,000
Accumulated loss	(988,198,456)	(881,713,717)
	(765,118,456)	(658,633,717)
SURPLUS ON REVALUATION ON FIXED ASSETS	1,402,329,336	1,402,329,336
SUBORDINATED LOAN FROM DIRECTORS	65,766,502	65,766,502
LIABILITIES		
NON CURRENT LIABILITIES		
Deferred taxation	424,508,898	424,508,898
Long term finance - secured		
- Markup bearing	227,993,146	236,326,479
- Markup free	9,237,215	9,237,215
	237,230,361	245,563,694
PROVISION FOR GRATUITY	11,805,750	11,861,268
CURRENT LIABILITIES		
Trade and other payables	1,430,493,589	1,085,767,117
Short term borrowings	124,996,633	124,996,633
Mark up accrued	26,808,322	29,292,326
Current portion of non current liabilities	156,726,133	156,726,133
	1,739,024,677	1,396,782,209
	<u>3,115,547,068</u>	<u>2,888,178,190</u>

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

DINSHAW H. ANKLESARIA
Chief Executive / Director
Dated: January 29, 2016

SYED ABID HUSSAIN
Director

PROFIT AND LOSS ACCOUNT FOR THE FIRST QUARTER ENDED DECEMBER 31, 2015 (UNAUDITED)

	1st Quarter December 2015	1st Quarter December 2014
	(Rupees)	
Sales -net	271,237,552	725,548,051
Cost of sales	(342,330,823)	(751,379,536)
Gross (loss) / profit	(71,093,271)	(25,831,485)
Operating expenses		
Administrative expenses	(32,985,604)	(34,524,395)
Distribution cost	(1,047,717)	(1,040,800)
	(34,033,321)	(35,565,195)
Operating loss	(105,126,592)	(61,396,680)
Finance cost	(5,659,976)	(11,819,465)
Other charges	-	(80,016)
Other income	3,150	8,999
	(5,656,826)	(11,890,482)
Unrealised gain on investment	4,298,679	3,832,972
Loss before taxation	(106,484,739)	(69,454,190)
Provision for taxation		
Current	-	-
Deferred	-	-
	-	-
Loss after taxation	(106,484,739)	(69,454,190)
Earning per share-Basic and Diluted	(4.77)	(3.11)

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

DINSHAW H. ANKLESARIA
Chief Executive / Director
Dated: January 29, 2016

SYED ABID HUSSAIN
Director