



CASH FLOW STATEMENT
FOR THE THIRD QUARTER ENDED JUNE 30, 2015
(UNAUDITED)

	June 30, 2015	June 30, 2014
(Rupees)		
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(122,071,118)	(333,960,776)
Adjustments for:		
Depreciation	97,147,098	59,479,681
Impairment loss on factory building		
Finance cost	28,995,699	60,021,789
Provision for gratuity	1,533,901	902,775
Gain on amortization of investments / loans	(398,693)	(7,368,712)
(Gain) on disposal of property, plant and equipment	(1,731,045)	(1,196,484)
	<u>125,546,960</u>	<u>111,839,049</u>
Operating profit / (loss) before working capital changes	3,475,842	(222,121,727)
Changes in working capital (Increase) / Decrease in current assets		
Stores, spares and loose tools	264,954	(4,796,172)
Stock in trade	155,768,507	(288,650,040)
Trade debts	(1,140,949)	36,712,779
Loans and advances	39,744,478	(6,958,137)
Prepayments and other receivables	3,394,449	229,602
	<u>198,031,439</u>	<u>(263,461,968)</u>
Increase / (Decrease) in current liabilities		
Trade and other payables	(7,385,129)	451,553,608
Cash used in operating activities	<u>194,122,152</u>	<u>(34,030,087)</u>
Taxes paid	(4,639,709)	(8,587,527)
Finance cost paid	(42,399,426)	(53,799,215)
Gratuity paid	(165,872)	(925,033)
	<u>(47,205,007)</u>	<u>(63,311,775)</u>
Net cash used in operating activities	<u>146,917,145</u>	<u>(97,341,862)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(5,889,979)	(12,775,673)
Proceeds from disposal of property, plant and equipment	2,999,906	2,368,880
Long term deposits	165,083	
Long term loans	(54,948)	(134,788)
Net cash used in investing activities	<u>(2,779,938)</u>	<u>(10,541,581)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of long term finance	(24,999,999)	(24,999,999)
Receipt of long term loan	-	32,700,000
Loan from Directors	2,100,000	-
Net cash used in financing activities	<u>(22,899,999)</u>	<u>7,700,001</u>
Net decrease in cash and cash equivalents	<u>121,237,208</u>	<u>(100,183,442)</u>
Cash and cash equivalents at the beginning of the period	31,600,756	4,959,712
Cash and cash equivalents at the end of the period	<u>152,837,964</u>	<u>(95,223,730)</u>
Cash and cash equivalents comprises of:		
Short term finances	140,793,916	(110,441,683)
Cash and bank balances	12,044,048	15,217,953
	<u>152,837,964</u>	<u>(95,223,730)</u>

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

DINSHAW H. ANKLESARIA
Chief Executive

SYED ABID HUSSAIN
Director

Dated: July 30, 2015



STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED JUNE 30, 2015
(UNAUDITED)

	Issued, subscribed & paid-up capital	Accumulated Loss	Total
(Rupees)			
Balance as at October 01, 2013	223,080,000	(569,463,570)	(346,383,570)
Total comprehensive income			
-Net loss for the period		(333,960,776)	(333,960,776)
-Other comprehensive income for the period		34,413,372	34,413,372
Balance as at June 30, 2014	<u>223,080,000</u>	<u>(869,010,974)</u>	<u>(645,930,974)</u>
Balance as at October 01, 2014	223,080,000	(718,799,054)	(495,719,054)
Total comprehensive income			
-Net loss for the period		(225,483,006)	(225,483,006)
-Other comprehensive income for the period		73,688,290	73,688,290
Balance as at June 30, 2015	<u>223,080,000</u>	<u>(870,593,770)</u>	<u>(647,513,770)</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED JUNE 30, 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 Standard -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, 2014.
- Figures have been rounded off to the nearest rupee.

DINSHAW H. ANKLESARIA
Chief Executive

SYED ABID HUSSAIN
Director

Dated: July 30, 2015



SAKRAND SUGAR MILLS LIMITED
41-K, BLOCK-6, PECHS, KARACHI-75400, PAKISTAN.
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QUARTERLY
UNAUDITED ACCOUNTS
30TH JUNE, 2015

CORPORATE

SAKRAND SUGAR MILLS LIMITED

COMPANY PROFILE

BOARD OF DIRECTORS	Mr. Dinshaw H. Anklesaria	Chief Executive/ Director
	Mr. Jamil Akberi	Director
	Syed Abid Hussain	Director
	Mr. Abdul Naeem Quraishi	Director
	Mr. Neville Mehta	Director
	Mrs. Fatma Gulamali	Director
	Dr. Jamshed H. Anklesaria	Director
AUDIT COMMITTEE	Mr. Abdul Naeem Quraishi	Chairman
	Mr. Jamil Akberi	Member
	Mr. Neville Mehta	Member
HR & R COMMITTEE	Syed Abid Hussain	Chairman
	Mr. Jamil Akberi	Member
	Mr. Neville Mehta	Member
CHIEF FINANCIAL OFFICER	Mr. Farhaj 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	M/s Evolution Factor (Private) Limited	
	407-408, Al Ameer 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 third quarter ended June 30, 2015

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

OPERATING RESULTS	2014-2015	2013-2014
Season started	05-12-2014	01-11-2013
Season closed	12-03-2015	22-03-2014
Duration of season	98	142
Sugarcane crushed	Tonnes 441,621	770,516
Sugar produced	Tonnes 45,100	70,864
Sugar recovery	% 10.210	9.188
Molasses produced	Tonnes 18,700	33,397
Molasses recovery	% 4.236	4.330

The Mill started crushing season on December 05, 2014 and closed on March 12, 2015. During the current season the mill operated for 98 days and crushed 441,621 metric tons of sugarcane and produced 45,100 metric tons of sugar as compare to last season when it operated 142 days and crushed 770,516 metric tons of sugarcane to produce 70,864 metric tons of sugar. The recovery of sucrose increased to 10.210% as against 9.188% last season. In current season the production of molasses decreased to 18,700 metric tons as compare to 33,397 last year.

Current season 2014-15 started with lot of controversies, as Sindh Government unilaterally fixed the sugarcane price as Rs.182/40kg which was unanimously rejected by most of the sugar mills who demanded to fix the minimum price at Rs.155/40 kg. This increase would result in increase in basic raw material of the product. The Government of Sindh promised to fix the minimum sugarcane price at Rs.155/40 kg which was further confirmed by notification No. 8(142)/S.O (Ext)95-XXIII dated 03-12-2014. But just after six (06) days this notification was withdrawn on 09-12-2014 and inacted the first notification dated 07-11-2014 and fixed the sugarcane support price for the season 2014 - 15 at Rs.182/40kg plus quality premium.

By aggrieved the decision taken by the Sindh Government most of the sugar mills filed the petition before the Hon'ble High court. Which has ordered that the price should be Rs.172 per moud of which Rs.12 will be paid by the Sindh Govt through sugar mills and further Rs.10 per moud will be paid subject to the order of Hon'ble Supreme Court which is under subjudices.

The Government of Sindh has paid Rs.12 per moud, which has further distributed to the Growers during the current quarter.

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 all the financial institutions, individuals, all staff members, shareholders and the creditors and wish to place on record appreciation for their continuous support, confidence, devotion, sense of responsibility and loyalty.

DINSHAW H. ANKLESARIA
Chief Executive
Dated: July 30, 2015

BALANCE SHEET

AS AT JUNE 30, 2015

	Un-audited June 30, 2015	Audited September 30, 2014
	(Rupees)	
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	2,499,525,237	2,592,051,216
Long term investments	133,854,319	126,188,376
Long term loans	358,252	303,304
Long term deposits	1,431,283	1,596,366
CURRENT ASSETS		
Stores, spares and loose tools	29,421,740	29,686,694
Stock in trade	74,730,777	230,499,284
Trade debts - unsecured (considered good)	135,459,382	134,318,433
Loans and advances	25,881,227	65,625,705
Prepayments and other receivables	13,618,234	17,012,683
Taxation	13,137,801	32,960,594
Cash and bank balances	12,044,048	31,600,756
	304,293,209	541,704,149
	2,939,462,300	3,261,843,410
EQUITY AND LIABILITES		
SHARE CAPITAL AND RESERVES		
Authorized capital	250,000,000	250,000,000
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	(870,593,770)	(718,799,054)
	(647,513,770)	(495,719,054)
SURPLUS ON REVALUATION OF FIXED ASSETS	1,407,646,206	1,467,993,107
LIABILITES		
NON CURRENT LIABILITES		
Subordinated Loan from Director	48,098,100	45,998,100
Deferred liabilities	452,731,441	387,123,454
Long term finance - secured		
- Markup bearing	283,852,369	275,519,036
- Markup free	7,799,181	7,799,181
	291,651,550	283,318,217
PROVISION FOR GRATUITY	10,706,140	9,338,111
CURRENT LIABILITES		
Trade and other payables	1,052,905,140	1,060,290,269
Short term finances	183,112,983	323,906,899
Mark up accrued	34,356,559	40,493,024
Current portion of non current liabilities	105,767,951	139,101,283
	1,376,142,633	1,563,791,475
	2,939,462,300	3,261,843,410

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

DINSHAW H. ANKLESARIA
Chief Executive
Dated: July 30, 2015

SYED ABID HUSSAIN
Director

PROFIT AND LOSS ACCOUNT FOR THE THIRD QUARTER ENDED JUNE 30, 2015 (UNAUDITED)

	2014-2015		2013-2014	
	April-June 3 months	Year to date 9 months	April-June 3 months	Year to date 9 months
	(Rupees)			
Sales-net	540,516,988	2,446,250,221	310,469,360	3,094,618,036
Cost of sales	(563,539,109)	(2,425,501,098)	(367,210,461)	(3,270,054,465)
Gross profit / (loss)	(23,022,121)	20,749,123	(56,741,101)	(175,436,429)
Operating expenses				
Administrative expenses	(35,390,080)	(111,625,682)	(32,315,236)	(101,424,540)
Distribution cost	(632,236)	(4,122,538)	(300,196)	(4,938,102)
	(36,022,316)	(115,748,220)	(32,615,432)	(106,362,642)
Operating profit / (loss)	(59,044,437)	(94,999,097)	(89,356,533)	(281,799,071)
Finance cost	(10,660,425)	(28,995,699)	(21,065,348)	(60,021,789)
Other charges	(110,000)	(250,000)	(162,500)	(745,073)
Other income	5,850	1,774,985	1,205,127	1,236,445
	(10,764,575)	(27,470,714)	(20,022,721)	(59,530,417)
	(69,809,012)	(122,469,811)	(109,379,254)	(341,329,488)
Unrealised gain on amortisation of investments / loans	-	398,693	-	7,368,712
Loss before taxation	(69,809,012)	(122,071,118)	(109,379,254)	(333,960,776)
Taxation				
- Current	(5,405,170)	(24,462,502)		
- Deferred	-	(78,949,386)		
	(5,405,170)	(103,411,888)		
Loss after taxation	(75,214,182)	(225,483,006)	(109,379,254)	(333,960,776)
Earning per share - Basic	(3.37)	(10.11)	(4.90)	(14.97)

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

DINSHAW H. ANKLESARIA
Chief Executive
Dated: July 30, 2015

SYED ABID HUSSAIN
Director