

SHAHTAJ SUGAR MILLS LIMITED
STATEMENT OF CAPACITY UTILIZATION UNDER RULE 4(1) (a)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Production unit	Installed capacity	Utilized capacity
Sugarcane crushing	M. Tons	1,440,000 (Based on 160 days)	716,070 (97 days)

Chief Executive

Munir Nay

Chief Financial Officer

Raghu A. A.



SHAHTAJ SUGAR MILLS LIMITED
STATEMENT OF STOCK IN TRADE UNDER RULE 4 (1) (b)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

DESCRIPTION	QTY/M.ton	Rupees
(i) Raw material		
Sugarcane	-	-
(ii) Work in process		
Sugar	64.557	3,071,155
Molasses	4.999	36,709
		<u>3,107,864</u>
(iii) Finished goods		
Sugar	2,950	141,491,864
Molasses	-	-
Bagasse	5,345	17,638,500
		<u>159,130,364</u>
(iv) Other stocks		
Fair price shop	Various items	381,776
Insecticide		93,000
		<u>474,776</u>

Munir Nay

Chief Executive



Pragati Singh
 Chief Financial Officer

SHAHTAJ SUGAR MILLS LIMITED
STATEMENT OF STOCK IN TRADE UNDER RULE 4 (1) (b)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

DESCRIPTION	QTY/M.ton	Rupees
(i) Raw material		
Sugarcane	-	-
(ii) Work in process		
Sugar	64.557	3,071,155
Molasses	4.999	36,709
		<u>3,107,864</u>
(iii) Finished goods		
Sugar	2,950	141,491,864
Molasses	-	-
Bagasse	5,345	17,638,500
		<u>159,130,364</u>
(iv) Other stocks		
Fair price shop	Various items	381,776
Insecticide		93,000
		<u>474,776</u>

Munir Wazir

Chief Executive



Pragati Singh
 Chief Financial Officer

SHAHTAJ SUGAR MILLS LIMITED
RECONCILIATION OF COST TO
MAKE AND SELL SUGAR
WITH AUDITED FINANCIAL STATEMENT

DESCRIPTION	2016	2015
Manufacturing expenses	3,744,566,162	4,089,223,925
Packing material	27,869,126	36,535,016
Add opening stock - in process	2,580,573	2,270,758
Add opening stock - fine	567,573,330	183,125,353
Less opening stock - in process	(3,107,864)	(2,580,573)
Less opening stock - fine	(159,130,364)	(567,573,330)
	<u>4,180,350,963</u>	<u>3,741,001,149</u>
Brokerage	9,507,751	7,428,300
Distribution cost	9,709,912	8,772,272
Administrative expenses	190,436,763	175,527,140
Financial cost	47,542,821	98,671,437
Other charges -		
Gratuity, retirement benefits and	3,926,775	4,128,029
Loss on initial recognition of financial assets at fair value	198,228	57,146
Special excise duty	-	-
Workers profit participation fund	13,968,805	-
Workers welfare fund	-	-
	<u>18,093,808</u>	<u>4,185,175</u>
	<u>4,455,642,018</u>	<u>4,035,585,473</u>
LESS -		
Other income	4,506,789	15,426,753
Realizable value of By-Products:		
Molasses	243,464,821	272,771,311
Bagasse	73,969,394	88,379,505
Mud	2,707,826	4,887,264
	<u>320,142,041</u>	<u>366,038,080</u>
	<u>324,648,830</u>	<u>381,464,833</u>
	<u>4,130,993,188</u>	<u>3,654,120,640</u>

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SHAHTAJ SUGAR MILLS LIMITED

Annexure - 1

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

Quantitative Data - Bagged Sugar		2016		2015	
Opening Stock	(M.Tons)	11,022.00		3,613.00	
Production	(M.Tons)	71,599.00		74,654.00	
Available for sale	(M.Tons)	82,621.00		78,269.00	
Closing Stock	(M.Tons)	2,950.00		11,022.00	
Sales	(M.Tons)	79,671.000		67,247.000	

Sl.No.	Particulars	Current Year		Previous Year	
		Amount Rs.	Cost per ton of sugar	Amount Rs.	Cost per ton of sugar
(1)	(2)	(3)	(4)	(5)	(6)
1	Raw Materials				
a	Sugar Cane (Annex 3)	3,391,655,392	47,370.15	3,751,569,321	50,252.75
b	Beet (Annex 4)	-	-	-	-
c	Gur	-	-	-	-
d	Raw Sugar	-	-	-	-
e	Process Material (Annex 5)	34,885,200	487.23	39,788,092	532.97
2	Salaries/Wages and benefits (Annex 6)	118,557,441	1,655.85	111,172,391	1,489.17
3	Consumable Stores	56,253,319	783.57	42,482,164	589.05
4	Repairs and maintenance	10,856,045	151.52	6,962,440	93.26
	UTILITIES				
5	Steam (Annex 7)	37,342,507	521.55	37,714,604	505.19
6	Electric Power (Annex 8)	59,058,509	824.85	60,074,471	811.50
7	Water and Gas	-	-	-	-
8	Insurance	3,880,633	54.20	3,401,283	45.56
9	Depreciation	21,340,798	298.06	22,724,321	304.40
10	Other Factory Overheads (Annex 9)	8,547,563	119.38	10,519,938	138.24
11	Total Cost	3,742,377,407	52,268.57	4,086,709,035	54,742.00
12*	Add: Opening Stock of W.I.P	2,580,573	-	2,270,758	-
13*	Less: Closing Stock of W.I.P	3,107,861	-	2,580,573	-
14	Total Cost of goods Manufacturing	3,741,850,116	52,261.21	4,086,399,240	54,737.85
15	Less: Realizable value of By-Products:				
	Molasses	243,464,821	3,400.39	272,771,311	3,653.81
	Bagasse	73,969,394	1,033.11	88,379,505	1,183.83
	Others (Mud)	2,707,826	37.82	4,587,264	63.47
16	Net Cost of goods Manufacturing	3,421,708,075	47,789.89	3,720,361,160	49,834.72
17	Add: Packing Material and Handling	27,869,125	389.24	36,535,016	489.39
18	Net cost of Bagged Sugar	3,449,577,201	48,179.13	3,756,896,176	50,324.11
19	Add: Excise Duty / sales tax				
20	Total Cost of Bagged Sugar	3,449,577,201	48,179.13	3,756,896,176	50,324.11
21*	Add: Opening Stock of Sugar	567,573,330	-	183,125,353	-
22*	Less: Closing Stock of Sugar	159,130,364	-	567,573,330	-
23	Cost of Sales	3,858,020,167	48,421.40	3,372,448,199	50,150.17
24	Administrative Expenses (Annex 10)	182,625,518	2,417.76	178,042,010	2,647.58
25	Selling and Distribution Expenses (Annex 11)	19,217,663	241.21	16,200,572	240.91
26	Financial Expenses	47,542,821	596.74	98,671,437	1,467.30
27	Other Charges	18,093,808	227.11	4,185,175	62.24
28	Other income	(4,506,789)	(56.37)	(15,426,733)	(229.40)
	TOTAL COST TO MAKE AND SELL	4,130,993,188	51,850.65	3,654,120,640	54,338.79

Variance

The decrease in cost to make and sell per ton of sugar as compared to year 2015 is primarily due to increase in quantity sold.

Specific analysis of cost variance on individual basis is enclosed herewith as (Annexure - 1A)

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

ANALYSIS OF MAJOR ITEM WISE VARIANCES

The cost per ton to manufacture (Annex-1, Sr. No. 14) during the year amounting to Rs. 52,261.21 per M.Ton (2015: 54,737.85) has decreased by Rs. 2,476.64 per M.Ton due to increase in recovery, and decrease in process material consumed and other factory overheads during the year. The cost of sales (Annex -1- Sr. No. 23) has decreased by Rs. 1,725.77 as compared to the last year i.e. Rs. 48,424.40 for the year (2015: Rs. 50,150.17 per M.Ton) due to increase in quantity sold. Cost to make and sell has decreased by Rs. 2,488.14 per M.Ton due to increase in quantity sold during the year i.e. Rs. 51,850.65 (2015: 54,338.79). Component wise variances are explained with reference to their respective notes as follows:

Particulars	Current Year	Previous Year	Variance	Reference
	Cost per ton of sugar	Cost per ton of sugar	Cost (Increase/Decrease)	
Raw Materials:				
(a) Sugar Cane (Annex 3)	47,370.15	50,252.76	2,882.61	N-1
(b) Beet (Annex 4)	-	-	-	
(c) Gnr	-	-	-	
(d) Raw Sugar	-	-	-	
(e) Process Material (Annex 5)	487.23	532.97	45.74	N-2
Salaries/Wages & benefits (Annex 6)	1,655.85	1,489.17	(166.68)	N-3
Consumable Stores	785.67	569.05	(216.62)	N-4
Repair and Maintenance	151.62	93.26	(58.36)	N-5
Utilities:				
Steam (Annex 7)	521.55	505.19	(16.36)	N-6
Electric Power (Annex 8)	824.85	811.40	(13.45)	N-7
Water Gas	-	-	-	N/A
Insurance	54.20	45.56	(8.64)	N-8
Depreciation	298.06	304.40	6.34	N-9
Other Factory Overheads (Annex 9)	119.38	138.24	18.86	N-10
Realizable value of By-Products:				
Molasses	3,400.39	3,653.81	253.42	N-11
Bagasse	1,033.11	1,183.85	150.74	N-11
Packing Material & Handling	389.24	489.39	100.15	N-12
Administrative Expenses (Annex 10)	2,417.76	2,647.58	229.82	N-13
Selling & Distribution Expenses (Annex 11)	241.21	240.91	(0.30)	N-14
Financial Expenses	596.76	1,467.30	870.54	N-15
Other Charges	227.11	62.24	(164.87)	-



Muhammad Naveed *Page No. 11*

- N-1 Decrease in cost per M.Ton is due to short supply of raw material and significant decrease in transportation subsidy.
- N-2 Decrease in cost of process material consumed per M.Ton is due to decrease in Acid Phosphoric food and Lubricant and Grease during the year as compared to the previous year.
- N-3 Cost per M.Ton of sugar of salaries, wages and benefits has increased due to decrease in quantity produced as compared to last year.
- N-4 Increase in cost per M.Ton of sugar for consumable stores as compared to the previous year is mainly due to decrease in production during the year.
- N-5 Increase in repair and maintenance per M.Ton of sugar is due to decrease in production during the year.
- N-6 Steam cost per M.Ton of sugar has increased mainly due to decrease in production during the year as compared to last year.
- N-7 Cost per unit of electricity consumed has increased due to decrease in sugar produced during the year as compared to the previous year.
- N-8 Increase in insurance cost per M.Ton of sugar is due to decrease in production as compared to last year.
- N-9 Decrease in depreciation cost per M.Ton of sugar is due to overall decrease in production (Machine Hours) during the year.
- N-10 Nominal decrease in the factory overheads per M.Ton of sugar relates primarily due to decrease in vehicle running expenses and other charges as compared to the previous year.
- N-11 Decrease in the realizable value of molasses and bagasse is due to Increase in demand during the year as compared to last year.
- N-12 Decrease in cost per M.Ton of sugar for packing material and handling cost primarily relates to increase in sugar sold during the year as compared to last year.
- N-13 Decrease in administrative expenses per M.Ton of sugar basically relates to increase in quantity sold as compared to the previous year.
- N-14 Nominal increase in per M.Ton of selling and distribution expenses basically relates to increase in salaries, wages and benefits as compared to the previous year.
- N-15 On an overall basis, financial charges (finance cost) have decreased during the year as compared to last year because of decrease in mark up paid resulting from the decrease in the principal outstanding long/short term loans and advances. Financial expenses per M.Ton of sugar have decreased due to increase in quantity sold as compared to the previous year.



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Muhammad Jalal Amjad

STATEMENT SHOWING COST OF SUGARCANE PRODUCED
FOR THE YEAR ENDED SEPTEMBER 30, 2016

Sr.No.	Particulars	Current Year		Previous Year	
		Quantity	Amount Rs.	Quantity	Amount Rs.
(1)	(2)	(3)	(4)	(5)	(6)
1	<u>Seeds and Other Inputs:</u> Seed and other inputs Fertilizers, herbicides etc. Insecticides. Abianan/Water Charges. Total Cost of Inputs.				
2	<u>Labour Cost:</u> Land preparation Plantation, Maintenance of cane crop/rations Operation of Tractors. Harvesting Total Labour Cost.				
3	<u>Other Cost:</u> 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.				

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STATEMENT SHOWING COST OF SUGARCANE CRUSHED FOR THE YEAR ENDED SEPTEMBER 30, 2016

Annexure - 3

Sr. No.	Particulars	Current Year			Previous Year		
		Quantity M.Tons	Rate Rs/M.Ton	Amount Rs.	Quantity M.Tons	Rate Rs/M.Ton	Amount Rs.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Total sugarcane purchased at Government fixed rate	716,141.009			801,062.028		
	Sugarcane produced from own farms (Annex.2)	-			-		
	Less: Lost in transit	90,956			93,364		
	Sugarcane received at factory gate	716,070.053	4,562.32	3,266,940,179	800,968.724	4,517.95	3,618,735,134
2	Commission			1,264,414			1,736,727
3	Quality premium / price subsidy			5,907,530			6,762,266
4	Loading / unloading charges			2,060,623			3,044,013
5	Cane development expenses:						
a	Salaries and Wages of Supply and Development Staff, (Annexure 6)			30,831,730			29,829,458
b	Sugarcane Development			789,407			1,202,065
c	Supply staff transportation expenses			1,939,505			2,183,416
d	Other expenditure						
6	Taxes and Levies:						
a	Cane cess / purchase tax						
b	Market committee fee	716,070.053	5.00	3,580,705	800,968.724	5.00	4,005,210
c	Road cess	716,070.053	37.50	26,835,289	800,968.724	37.50	30,099,825
d	Octroi - Toll Tax						
e	Other Levies						
7	Transportation Charges:						
a	Delivery expenses - TIF at purchasing centre			13,001,018			20,066,157
b	Transport subsidy			28,548,731			23,726,674
c	Others - M. V. Keep up expenses			2,928,108			3,321,403
8	Other Expenditures at Cane Collection Centers:						
a	Salaries and Wages (Annex-6)			6,770,211			6,385,009
b	Stores			238,982			219,179
c	Repairs and Maintenance			38,900			132,685
d	Others						
TOTAL COST OF SUGARCANE TRANSFERRED TO PRODUCTION PROCES				3,391,655,392			5,751,569,321

Basis of allocation:

Cost of sugarcane crushed is fully charged to production process.

Variance:

Increase in cost per M.Ton is due to short supply of raw material and weather condition but to total decrease due significant decrease in transportation cost and increase in recovery.

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Waqar Ahmad

SHAHTAJ SUGAR MILLS LIMITED

Annexure - 4

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

Sr.No.	Particulars	Current Year			Previous Year		
		Quantity M.Tons	Rate Rs/M.Ton	Amount Rs.	Quantity M.Tons	Rate Rs/M.Ton	Amount Rs.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Total beet purchased at Government fixed rate Less: Loss in transit. Beet received at factory gate.						
2	Commission paid						
3	Loading/unloading						
4	Beet development expenses:						
	a Salaries and Wages of Supply and Development Staff.						
	b Sugar Development Research.						
	c Supply staff and transportation expenses.						
	d Other expenditure.						
6	Taxes and Levies: (if any)						
	a Purchase tax						
	b Market committee fee						
	c Road cess.						
	d Octroi						
	e Other Levies						
7	Transportation Charges:						
	a Delivery expenses / traveling from purchases centre to mill gate						
	b Transport subsidy						
	c Others.						
8	Other Expenditures at Beet Collection Centers:						
	a Salaries and Wages						
	b Stores						
	c Repairs and Maintenance.						
	d Others.						
TOTAL COST OF "BEET" TRANSFERRED TO PRODUCTION PROCESS (ANNEX.1)							

NOT APPLICABLE

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SHAHTAJ SUGAR MILLS LIMITED

Annexure 5

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

Sr.No.	Particulars	Current year		Previous Year	
		Amount Rs.	Cost per ton of sugar	Amount Rs.	Cost per ton of sugar
(1)	(2)	(3)	(4)	(5)	(6)
	Total Sugar Produced (M.Tons)		71,599.00		74,654.00
1	Bleaching Powder.	122,500	1.71	144,679	1.94
2	Common Salt	-	-	-	-
3	Lime Quick	4,521,221	63.15	4,300,824	57.61
4	Chemfloat A - 100	607,499	8.48	641,114	8.59
5	Acid Phosphoric Food Grade 85%	4,771,336	66.64	5,982,932	80.14
6	Chemrites (Anti - Scalants)	4,239,128	59.21	5,288,213	70.84
7	Pure Flocc (Arquad)	708,200	9.89	726,250	9.73
8	Chemflocs	1,146,055	16.01	1,010,573	13.54
9	Colour Quest - 55	9,057,929	126.51	10,834,418	145.13
10	Anti Foaming	-	-	-	-
11	Laboratory Chemicals / Apparatus	485,753	6.78	837,886	11.22
12	Cleaning Chemicals & Equipments	1,684,414	23.53	1,153,856	15.46
13	Miscellaneous Process Chemicals	-	-	149,887	2.01
14	Lubricant and Grease	7,541,165	105.33	8,717,460	116.77
15	Other (Specify).	-	-	-	-
	Total	34,885,200	487.23	39,788,092	532.97
	Less allocated to				
	(a) Electricity generation	-	-	-	-
	(b) Steam Generation	-	-	-	-
	(c) Raw Material	-	-	-	-
	(d) Admin Expenses.	-	-	-	-
	(e) Selling and Distribution Expenditure	-	-	-	-
	(f) Any Other (Specify)	-	-	-	-
	Balance transferred to production process	34,885,200	487.23	39,788,092	532.97

Basis of allocation:

Total cost of process material is allocated to relevant cost centers on an actual basis.

Note:

This includes cost of furnace oil and firewood used in steam generation transferred to Annexure - 7.

Variance

Nominal decrease in overall cost as compared to last year is due to significant decrease in Acid Phosphoric Food, Chemrites, Colour Quest - 55 and Lubricant and Grease, which has resultantly decreased per M.Ton cost of process material consumed as compared to last year.

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

Sr.No.	Particulars	Current Year		Previous Year	
		Amount Rs.	Cost per ton of sugar	Amount Rs.	Cost per ton of sugar
(1)	(2)	(3)	(4)	(5)	(6)
	Total Sugar Produced (M.Tons)		71,599.00		74,654.00
	COST:				
1	Salaries / Wages:				
	i Officers and Permanent Staff	143,396,898	2,002.78	135,567,860	1,815.95
	ii Seasonal Staff	10,213,399	142.65	11,254,580	150.76
	iii Daily rated and Contract Labour	53,668,136	749.57	47,616,672	637.83
	iv Bonuses.	78,054,564	1,090.16	69,131,531	926.03
2	Benefits				
	i Medical Expenses	6,223,925	86.93	4,804,962	64.36
	ii Canteen Expenses.	984,047	13.74	1,009,550	13.52
	iii Welfare, Recreation	858,956	12.00	1,450,294	19.43
	iv Transport and Travelling	-	-	-	-
	v Education Cess Expenses.	-	-	-	-
	vi Group Insurance/Workmen	3,843,402	53.68	3,796,426	50.85
	vii Comp. Insurance	-	-	-	-
	viii Prov.Fund (Employer's contribution).	4,350,456	60.76	4,042,928	54.16
	ix Gratuity / Pension	164,269	2.29	161,305	2.16
	x Other Benefits (if any)				
	- Leave Encashment	1,437,335	20.07	1,366,757	18.31
	- Comp. Leave Encashment	1,285,474	17.95	1,311,124	17.56
	- Overtime	1,032,500	14.42	935,040	12.52
	- Social Security Contribution	6,013,772	83.99	5,527,013	74.04
	- EOBI Contribution	3,738,159	52.21	3,302,435	44.24
	- Education Cess	65,650	0.92	65,625	0.88
	- Uniform Expenses	1,818,766	25.40	1,387,020	18.58
	- Washing Exp. Of Uniforms	657,770	9.19	533,695	7.15
	- SSM Model School Exp.	5,120,304	71.51	4,738,059	63.47
	- Scholarship to Employees' Children	65,080	0.91	91,360	1.22
	- Zachgi Allowance	-	-	-	-
	- Employees Daughter Marriage Exp.	92,100	1.29	61,600	0.83
	- Employees Hajj Exp.	984,243	13.75	3,216,560	43.09
	- Fair Price Shop Exp.	4,633,740	64.72	3,944,360	52.84
	- Apprenticeship Training Exp.	31,088	0.43	20,780	0.28
	Total	328,734,033	4,591.32	305,337,536	4,090.04
	Less allocated to:				
	(a) Electricity generation (Annex-8)	1,219,282	17.03	1,123,682	15.05
	(b) Steam Generation (Annex-7)	13,418,313	187.41	12,738,297	170.63
	(c) Raw Material (Annex-3)	37,571,941	524.76	36,414,467	487.78
	(d) Admin Expenses. (Annex-10)	154,719,598	2,160.92	141,027,025	1,889.08
	(e) Selling and Distribution (Annex-11)	3,247,458	45.36	2,861,674	38.33
	(f) Any Other Specify	-	-	-	-
		210,176,592	2,935.47	194,165,145	2,600.87
	Balance transferred to production process	118,557,441	1,655.85	111,172,391	1,489.17

Basis of allocation:

The cost has been allocated on the basis of actual labour cost incurred in each cost centre.

Variance:

Cost per M.Ton of sugar of salaries, wages and benefits has increased due to; (a) increase in minimum wage rates by Government of Punjab (b) increase in bonus (c) normal annual increments and (d) decrease in production as compared to last year.

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SHAHTAJ SUGAR MILLS LIMITED

Annexure - 7

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

Sr.No.	Particulars	UNIT	Current Year 2016	Previous Year 2015	Variance
(1)	(2)	(3)	(4)	(5)	(6)
	Type of steam boilers used		Water tube	Water tube	
	Number of boiler installed	Nos.	3	5	-
1	No. of days worked	Days	97	107	(10)
2-a	Installed Capacity	M. Tons/Day	8,196	8,796	-
2-b	Installed Capacity for season	M. Tons	795,012	876,972	(81,960)
3	Utilized capacity	M. Tons	390,410	414,403	(23,993)
4	Production				
	(a) High pressure steam	M. Tons	229,973	235,900	(5,927)
	(b) Medium pressure steam	M. Tons	160,305	178,503	(18,198)
	(c) Low pressure steam	M. Tons	-	-	-
	(d) Less: trash losses	M. Tons	11,712	12,432	(720)
	(e) Total	M. Tons	378,566	491,871	(23,273)
5	Percentage of capacity utilization (3/2*100)	%	49.10%	47.25%	1.8%

Sr.No.	Particulars	Current Year			Previous Year		
		Quantity	Rate Per Unit Rs.	Amount Rs.	Quantity	Rate Per Unit Rs.	Amount Rs.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Water (M.ton)	399,775			424,348		
2	Fuels						
	(a) Bagasse (M.ton)						
	(i) Own	205,870			234,283		
	(ii) Purchased						
	(b) Pith						
	(c) Coal purchased						
	(d) Furnace Oil (LTK)	7,768		451,498	6,600		446,759
	(e) Fire Wood (M. ton)	57.53		589,684	101.68		991,378
	(f) Gas						
	(g) Other fuels if any (to be specified) Rice Husk						
3	Quantity of waste heat from the plant, if any						
4	Consumable stores			8,986,859			6,787,679
5	Direct salaries, Wages and benefits			13,418,313			12,738,297
6	Repairs and Maintenance			4,135,430			2,051,394
7	Other direct expenses (e.g. Boiler inspection fee etc.			46,000			46,000
8	Insurance			1,825,159			2,628,315
9	Depreciation			41,004,719			45,430,000
	Total Cost of Steam Raised			70,457,662			71,159,878
10	Less: Outside sale						
11	Total Cost of Steam for Self Consumption			70,457,662			71,159,878
12	Actual Cost of Steam purchased						
	Total Cost of Steam Consumed			70,457,662			71,159,878
	ALLOCATION						
	Total of Item 12 allocated to						
	(i) White bagged sugar (Annex-1)	206,917		37,943,507	219,633		37,714,634
	(ii) Electric Power house (Annex-8)	183,493		33,115,155	194,770		33,443,244
	(iii) Others						
	(a) Staff colony						
	(b) Office building etc.						
		390,410		70,457,662	414,403		71,159,878

Variance:

As compared to last year, a nominal decrease in total cost of steam consumed is primarily due to decrease in depreciation.



Munir Nay

Munir Nay

SHAHTAJ SUGAR MILLS LIMITED

Annexure - 8

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

	Current Year	Previous year	Variance
1-a Installed Capacity (KWH)	11,000	11,000	-
1-b Working days	97	107	(10)
1-c Installed Capacity for season (KWH)	25,608,000	28,248,000	(2,640,000)
2 No. of units generated (KWH)	17,128,635	18,075,445	(946,810)
3 No. of units purchased (KWH)	1,155,000	1,132,800	2,200
4 Total (2+3)	18,283,635	19,228,245	(944,610)
5 Consumption in Power House including other losses	3,479,112	3,744,920	(265,808)
6 Net units consumed (4-5)	14,804,523	15,483,325	(678,802)
7 Percentage of Consumption and losses to total units	19.03%	19.48%	(0.45)
8 Percentage of power generated to installed capacity 2/1*100	66.89%	63.99%	2.90

Sr.No.	Particulars	Current Year			Previous Year		
		Quantity KWH	Rate Rs/KWH	Amount Rs.	Quantity KWH	Rate Rs/KWH	Amount Rs.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Steam (Annex-7)			33,113,195			33,445,244
2	Consumable Stores.			2,352,157			1,527,306
	Diesel - For Diesel generator SSM Mandi			9,142,582			8,219,512
3	Salaries and Wages (Annex-6)			1,219,282			1,123,682
4	Other direct expenses						
5	Repairs and Maintenance.			1,436,180			683,003
6	Duty on electricity			-			-
7	Depreciation KWH	17,128,635		-	18,075,445		-
	Total			49,345,114			47,311,529
8	* Less (a) Credit for exhaust steam used in process etc. (b) Other credits, if any			-			-
9	Cost of power generated			49,345,114			47,311,529
10	Less: Cost of Power sold.						
11	Add: Cost of Power purchased KWH	1,155,000		11,902,130	1,132,800		15,777,812
12	Total net cost of power consumed	18,283,635		61,247,264	19,228,245		63,089,341
13	Cost per unit average.						
	Total at item 12 allocated to						
	(i) White bagged sugar (Annexure - 1) KWH	14,275,463		59,058,509	14,866,128		60,574,471
	(ii) Self-consumption						
	(iii) Others.						
	(a) Staff colony - Admin. KWH	529,060		2,188,735	617,197		2,514,870
	(b) Office building						
	(c) Other (specify)						
	TOTAL	14,804,523		61,247,264	15,483,325		63,089,341

Note:

Variance:

Normal decrease in total cost of electric power purchased/generated/consumed is primarily due to decrease in cost of electricity purchased from WAPDA.

Munir Naz



Munir Naz

SHAHTAJ SUGAR MILLS LIMITED
STATEMENT SHOWING OTHER FACTORY OVERHEADS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

Annexure 9

Sr.No.	Particulars	Current Year		Previous Year	
		Amount Rs.	Cost per ton of sugar	Amount Rs.	Cost per ton of sugar
(1)	(2)	(3)	(4)	(5)	(6)
	Total Sugar Produced (M.Tons)		71,599.00		74,654.00
1	Rent, Rate and Taxes.	1,014,282	14.17	1,043,670	13.98
2	Printing and Stationery	287,585	4.02	554,030	7.42
3	Postage and Telegram	-	-	-	-
4	Telephone Fax and Telex.	-	-	-	-
5	Travelling and Conveyance	433,627	6.06	188,073	2.52
6	Subscriptions, Books and Periodicals.	27,150	0.38	29,869	0.40
7	Entertainment	14,759	0.21	17,685	0.24
8	Vehicle Running Expenses.	1,794,161	25.06	2,260,890	30.28
9	Security.	280,155	3.91	644,125	8.63
10	Fire Fighting Other Expenses.	462,028	6.45	125,724	1.68
11	Other Expenses.				
	- Freight and Cartage	179,653	2.51	184,327	2.47
	- Bagasse Removal	3,561,128	49.74	4,839,554	64.83
	- Press Mud Removal	-	-	-	-
	- Clinker Removal	-	-	-	-
	- Factory Supplies	339,261	4.74	277,169	3.71
	- Cycle Stand Exp.	153,771	2.15	154,822	2.07
	- Obsolete Stores and Spares	-	-	-	-
	- Consultants & Advisors Remuneration	-	-	-	-
12	TOTAL	8,547,563	119.38	10,319,938	138.24
	Allocated to:				
	(a) White bagged sugar	8,547,563	119.38	10,319,938	138.24
	(b) Electric Power House				
	(c) Steam Generation				
	(d) Others:				
	i. Staff Colony				
	ii. Office building etc.				
	Total as per item 12 above	8,547,563	119.38	10,319,938	138.24

Basis of allocation:

Fully charged to white bagged sugar.

Variance:

Decrease in cost per ton of sugar produced is due to decrease in various labour oriented expenses.

Mrs. Nay



M. A. J. J.

SHAHTAJ SUGAR MILLS LIMITED

Annexure 10

STATEMENT SHOWING ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED SEPTEMBER 30, 2016

Sr. No.	Particulars	Current Year		Previous Year	
		Amount Rs.	Cost per ton of sugar	Amount Rs.	Cost per ton of sugar
(1)	(2)	(3)	(4)	(5)	(6)
1	Total Sugar Sold (M.Tons)		79,671.00		~ 67,247.00
2	COST				
	Salaries, Wages and Benefits (Annex 6)	154,719,598	1,941.98	141,027,025	2,097.15
	Rent, Rates and Taxes.	3,539,762	44.43	2,855,090	42.46
	Insurance	1,203,849	15.11	1,087,630	16.17
	Water, Gas and Electricity (Annex -10/A)	3,848,414	48.30	4,762,579	70.82
	Printing and Stationery.	2,435,107	30.56	2,321,424	34.52
	Postage and Telegram	1,452,562	18.23	1,449,652	21.56
	Repair and Maintenance	3,963,751	49.75	4,320,453	64.25
	Travelling and Conveyance	1,683,869	21.14	1,055,905	15.70
	Subscriptions, Books and Periodicals	1,156,221	14.51	1,120,301	16.66
	Entertainment	712,448	8.94	496,828	7.39
	Legal and Professional Expenditure	2,385,718	29.94	2,893,893	43.03
	Auditor's remuneration	2,130,000	26.73	1,930,000	28.70
	Cost Audit fee	105,450	1.32	93,050	1.38
	Vehicle Running Expenses.	5,575,677	69.98	4,770,002	70.93
	Charity and Donation	683,000	8.57	603,000	8.97
	Depreciation	3,829,374	48.06	4,158,364	61.84
	Others.				
	- Cash Loss	-	-	-	-
	- Mess Expenses	1,174,895	14.75	1,157,761	17.22
	- Office Staff Refreshment	1,146,702	14.39	1,164,778	17.32
	- Mosque Exp.	104,083.00	1.31	99,185.00	1.47
	- Paise Adjustment	38	0.00	90	0.00
	- Director Fee	775,000	9.73	675,000	10.04
	TOTAL	192,625,518	2,417.76	178,042,010	2,647.58

Basis of allocation

Fully charged to whit bagged sugar.

Variance:

Administrative expenses have increased in absolute terms due to:

Increase in salaries, wages and benefits primarily resulting from increase in minimum wages by Government of Punjab and routine annual increments etc;

Decrease in per ton of sugar sold is due to increase in sugar sold viz. a. viz. last year.

Munir Naz



Muhammad Jalal Amjad

SHAHTAJ SUGAR MILLS LIMITED

Annexure - 10/A

STATEMENT SHOWING ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2016

<u>WATER, GAS AND ELECTRICITY</u>	Y E A R	
	2016	2015
Water	24,570	23,291
Gas	88,980	50,830
Electricity	1,546,109	2,173,588
Electric power purchased/generated (Annexure-8)	2,188,755	2,514,870
	<u>3,848,414</u>	<u>4,762,579</u>



Munir Nay

Munir Nay

SHAHTAJ SUGAR MILLS LIMITED
STATEMENT SHOWING SELLING EXPENSES
DURING THE YEAR ENDED SEPTEMBER 30, 2016

Annexure 11

Sr.No.	Particulars	Current Year		Previous Year	
		Amount Rs.	Cost per ton of sugar Rs.	Amount Rs.	Cost per ton of sugar Rs.
(1)	(2)	(3)	(4)	(5)	(6)
1	Total Sugar Sold (M.Tons)		79,671.00		67,247.00
2	COST				
	Salaries, Wages and Benefits (Annex 6)	3,247,458	40.76	2,861,674	42.55
	Travelling and Conveyance	-	0.00	563	0.01
	Commission.	9,507,751	119.34	7,428,300	110.46
	Stacking / Restacking	1,699,441	21.33	1,611,301	23.96
	Loading / Unloading.	1,906,795	23.93	1,463,665	21.77
	Advertising for Sales Promotion	40,800	0.51	20,800	0.31
	Sugar export expenses	-	-	-	-
	Other Expenses. - Insurance	2,815,418	35.34	2,814,269	41.85
	TOTAL	19,217,663	241.21	16,200,572	240.91

Basis of allocation:

Fully charged to white bagged sugar.

Variance:

Selling and distribution expenses have increased primarily because of increase in salaries, wages and benefits, commission and Loading/unloading cost but cost per ton of sugar sold has remained the same because of increase in sugar sold viz. a viz. last year.

Mans Nay



Mans Nay