BABA FARID SUGAR MILLS LIMITED

Cost Audit for The Year
Ended 30 September 2022

RSRIR
RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
CHARTERED ACCOUNTANTS

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COST AUDITORS' REPORT TO THE DIRECTORS OF BABA FARID SUGAR MILLS LIMITED

We Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants having been appointed to conduct an audit of cost accounts of M/s Baba Farid Sugar Mills Limited (the Company) have examined the books of account and the statements specified under first proviso to sub-section (1) of section 220 of the Companies Act, 2017 and the other relevant record for the year ended on 30 September 2022 and report that.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of this audit.

In our opinion –

a. proper cost accounting records as required by first proviso to sub-section (1) of section 220 of the Companies Act, 2017 (XIX of 2017) and as required by these regulations have been kept by the Company;

b. proper returns, statements and schedules for the purpose of audit of cost accounts have been received from branches not visited by us: and

c. the said books and records give the information required by the regulations in the manner so required.

In our opinion and, subject to best of our information-

a. the annexed statements of capacity utilization and stock-in-trade are in agreement with the books of account of the Company and exhibit true and fair view of the Company's affairs; and

b. cost accounting records have been properly kept so as to give a true and fair view of the cost of production, processing, manufacturing, marketing, cost of sales, profit margin on indigenous and export sales and any other information of the undermentioned products of the Company, namely:

White Refined Sugar

The matter contained in the Appendix III forms part of this report and approved by the board on 27 March 2023.

Other matter:

The comparative figures for the year 2020 are based on unaudited cost statements.

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Rahman Sarfaraz Rahim Iqbal Rafiq
CHARTERED ACCOUNTANTS
Engagement Partner: Mr. Adnan Rashid
Lahore:

Dated: 27 MAR 2023

BABA FARID SUGAR MILLS LIMITED

1. **STATEMENT OF CAPACITY UTILIZATION FOR THE YEAR ENDED 30 SEPTEMBER 2022**

a. **Capacity (Machine Hours)**

Basis of Measurement	Year	Unit of Measurement	Available Capacity (Crushing period × 24)	Utilized Capacity	% of Available Capacity
Crushing	2022	Machine Hours	3,138	2,791:20	88.95%
Crushing	2021	Machine Hours	2,784	2,525:45	90.71%

Explanation of variance:

Available hours are dependent upon the crushing period i.e. 132 days (2021: 116 days). Sugar mills remained temporarily shut down for maintenance purposes and due to non-availability of cane during the manufacturing season. This year the Company remained stopped for more period as compared to last year i.e. 14.46 days (2021: 10.5 days) thus decreasing the percentage of utilization in relation to available capacity by 2.6%.

b. **Capacity (Production unit):**

Basis of Measurement	Year	Unit of Measurement	Installed Capacity	Utilized Capacity	% of Installed Capacity
Crushing	2022	M. Tons	*560,000	604,762.396	107.99%
Crushing	2021	M. Tons	560,000	457,224.825	81.647%

*The installed capacity of 560,000 M.Ton per annum is based on crushing capacity of 3,500 M.ton per day communicated to District Officer Industries Prices Weights and Measures Punjab (IPWM) through letter dated 18 September 2021 by the management and 160 days crushing period based on experience/ judgement of the management.

Explanation of variance:

Actual production per day has been increased as compared to designed capacity due to replacement of old machines with modern and efficient machines.

DIRECTOR

CHIEF FINANCIAL OFFICER

Stamped for Identification

BABA FARID SUGAR MILLS LIMITED

2. STATEMENT OF STOCK IN TRADE FOR THE YEAR ENDED 30 SEPTEMBER 2022

Raw Material:

Particulars	2022		2021	
	Quantity M.Tons	Amount Rupees	Quantity M.Tons	Amount Rupees
Raw Material	-	-	-	-

Work in Progress:

Particulars	2022		2021	
	Quantity M.Tons	Amount Rupees	Quantity M.Tons	Amount Rupees
Sugar	68.520	4,903,115	51.550	3,622,833
Molasses	26.184	510,588	39.430	678,196

Finished Goods:

Particulars	2022		2021	
	Quantity M.Tons	Amount Rupees	Quantity M.Tons	Amount Rupees
Sugar	7,635.15	530,146,487	0.5	35,397
Molasses	-	-	-	-

STORES, SPARES AND LOOSE TOOLS

Particulars	2022 Rupees	2021 Rupees
Stores	91,631,893	71,223,488
Spares	65,100,052	72,337,651
Loose Tools	1,542,895	94,940
Less: Provision for obsolescence	(16,041,549)	(15,041,549)
Total	**142,233,291**	**128,614,530**

DIRECTOR

CHIEF FINANCIAL OFFICER

Stamped for Identification RSRIR CAs

Baba Farid Sugar Mills Limited
Appendix III
For the Year Ended 30 September 2022.

1. CAPACITY

a. Capacity:

Basis of Measurement	Year	Unit of Measurement	Installed Capacity	Utilized Capacity	% of Installed Capacity
Crushing	2022	M. Tons	*560,000	604,762.396	107.99%
Crushing	2021	M. Tons	560,000	457,224.825	81.65%

*The installed capacity of 560,000 M.Ton per annum is based on crushing capacity of 3,500 M.Ton communicated to District Officer Industries Prices Weights and Measures Punjab (IPWM) through letter dated 18 September 2021 by the management and 160 days crushing period based on experience/ judgement of management.

*Actual production per day has been increased as compared to designed capacity due to replacement of old machines with modern and efficient machines.

b. Other Activities:

The Company is not engaged in any other activity besides the manufacture of the product under reference.

c. The plant is owned by the Company and there were no leasing arrangements in place in relation to capacity.

d.

Basis of Measurement	Year	Unit of Measurement	Installed Capacity per day	Adjustment (Stoppage-days)	No. of days worked	Normal Capacity
Crushing	2022	M.Tons	3,500	14.46	117.54	411,390
Crushing	2021	M.Tons	3,500	10.5	105.5	369,250

2. COST ACCOUNTING SYSTEM

The Cost Accounting System was discussed with the management of the Company and reviewed in order to assess the adequacy of the system. The Company is using an integrated Accounting System in which cost accounting functions and financial accounting functions are combined in one system of ledger accounts. This enables the Company to get information regarding cost records at any point of time.

The existing system can generate various cost reports some of which are as follows:

i. Direct department cost.
ii. Distribution of total production cost into raw material and other manufacturing cost.
iii. Detail of direct cost of sugar.
iv. Detail of total cost of sugar.
v. Direct and indirect cost of salaries and wages.
vi. Stock valuation of stores, spares and loose tools.
vii. Direct cost of production departments.
viii. Total cost of production departments.

3. PRODUCTION

a. Production quantities:

Sugar	Production (M.Tons)	
	2022	2021
White refined sugar	54,026.500	41,501.500

b. Percentage of production to installed capacity:

Sugarcane	2022	2021
Installed Capacity	560,000.000 M.Tons	560,000.000 M.Tons
Utilized Capacity	604,762.396 M.Tons	457,224.825 M.Tons
% to total installed capacity	107.99%	81.647%

Comments on variance

Actual production per day has been increased as compared to designed capacity due to replacement of old machines with modern and efficient machines.

c. Addition to production capacity:

The Production capacity has remained the same during the season and last two years.

d. Comparison of machine hours utilization (during crushing season)

Basis of Measurement	Year	Unit of Measurement	Available Capacity (Crushing period × 24)	Utilized Capacity	% of Available Capacity
Crushing	2022	Machine Hours	3,138	2,791:20	88.95%
Crushing	2021	Machine Hours	2,784	2,525:45	90.71%

4. RAW MATERIALS:

a. **Major raw material consumed:**

Sugar Cane

Year	Sugarcane consumed (M.Tons)	Value (Rupees)
2022	604,762.396	3,856,431,034
2021	457,224.825	2,905,821,449
2020 (Unaudited)	290,029.359	1,607,052,756

b.

Year	Sugarcane consumed	Refined Sugar Produced	Sugarcane Consumed Per Ton of Refined Sugar
	M.Tons		
2022	604,762.396	54,026.500	11.19
2021	457,224.825	41,501.500	11.02
2020 (Unaudited)	290,029.359	25,159.000	11.53

Consumption of raw material per unit of production is dependent on many factors, such as sucrose contents/ sugar recovery percentage, quality of sugarcane, elapsed time between sugarcane harvesting and crushing, distance from sugarcane field and factory site and un-interrupted milling/ crushing etc.

As there are no established standard requirements available, comparison of consumption of raw material per unit of production can only be made with prior years of the Company.

c. **Explanation of variance::**

The unfavorable variance in material consumption per M. Ton is due to reduction in recovery of sugarcane percentage yield in the current year i.e., 8.9363% as compared to last year's recovery of 9.072%, primarily due to low quality of sugarcane available.

d. **Method of accounting:**

Sugarcane is procured mainly at the mills directly and no depots were used in current year. Cost of purchase of raw material comprises of purchase price, transport, government levies, handling and other costs directly attributable to the acquisition of materials. Purchases of sugarcane are accounted for when they are received at mills and valued at prevailing rate announced by government for the season. CPRs are issued mentioning quantity and value for each purchase of raw material. Procured cane is directly consumed in production.

e. All raw material was procured through domestic purchase.

5. SALARIES AND WAGES

a. Total Wages and Salaries paid:

Sr. #	Particulars	2022	2021
		Rupees	
I	Direct labour cost of production	137,744,406	112,415,529
II	Indirect labour cost of production	28,339,603	25,925,174
III	Employees' cost on administration	69,329,989	55,268,351
IV	Employees' cost on selling & distribution	3,704,253	3,192,992
	Total Employees' Cost	**239,118,251**	**196,802,046**
V	Bonus to workers & employees	(13,345,024)	(13,093,512)
	Total Employees' Cost (net of bonus)	**225,773,227**	**183,708,534**

b. Salaries and Perquisites of Directors and Chief Executive.

The chief executive and directors of the Company have received meeting fee amounting to Rs. 30,000/-, (2021: Nil) and Rs. 270,000, (2021: Nil). No remuneration has been paid to chief executive and executive/ non-executive directors of the Company.

c. Total man days of direct labour available and actual worked.

Plant	Worked	Available
Man Days	52,041	58,443

d. Average Number of Workers Employed:

2022	2021
497	307

e. Direct labour Cost Per M. Ton:

Description	2022	2021	2020 (unaudited)	Increase / (Decrease) 2022	Increase / (Decrease) 2021
	Rupees				
Direct labour cost per M. ton	2,549.57	2,708.71	3,700.72	(159.14)	(992.1)

f. Explanation for Variance in Items (e)

Decrease in cost per M. Ton is due to increase in production during the current year 30.18% (2021: 64.69%) as compared to increase in labour cost during current year of 22.53% (2021: 22.74%). Variance is also resultant from higher volume of crushing i.e 32.268% increase in crushing for season 2022 and 57.65% increase in crushing for season 2021.

g. The Company has no incentive scheme contributing towards increasing productivity.

6. STORES AND SPARES

a. Expenditure Per M.Ton of Output:

2022		2021	
Total store consumed	**Cost per M.Ton of output**	**Total store consumed**	**Cost per M.Ton of output**
Rupees	Rupees	Rupees	Rupees
99,958,759	1850.18	43,155,555	1039.86

b. System of Stores Accounting:

Store receipts are recorded on the basis of receiving report/ goods inspection note, gate inward passes, purchase order, demand notes etc. Issuances of stores are made on the basis of issue requisitions received from the relevant department.

Receipts of Stores and Spares:

These are valued at cost comprising of purchase price, import duties, other taxes, and other costs directly attributable to the acquisition of stores and spares except transportation and handling cost which is separately charged to production. Purchase price is determined through vendor invoices and other duties and taxes are recorded on actual basis. Receipts are only recorded when actually received in store and its relevant documents have been generated and authorized i.e. good receipt note (GRN) gate inward pass and inspection report by store incharge.

Issues and Balance of stores and Spares:

Store requisition slip is generated by relevant department and sent to store for issuance. Store in charge checks the availability in stock and issues the store item at current weighted average rate and if the inventory is not available in store, purchase requisition is generated by store in charge.

Stores and Spares are valued on lower of weighted average cost or net realizable value. Goods in transit are valued at cost plus other charges paid till statement of financial position date. Impairment testing is conducted on regular basis and provisions are recorded for obsolescence if any.

c. Provision for obsolescence against slow moving items amounted to Rs. 16,041,549/-, (2021: Rs. 15,041,549/-) that is 10.14%, (2021: 10.47%) of closing inventory.

7. DEPRECIATION

a. Method of depreciation:

Depreciation on all operating fixed Assets, except land is charged on reducing balance method. Depreciation on addition is charged from the month the asset is capitalized. No depreciation is charged on disposal from the month the asset is disposed off.

b. Basis of Allocation of Depreciation:

The depreciation expense is allocated on the basis of 96.78% to cost of sales and 3.22% to administration expense.

c. Basis of Charging Depreciation to Cost of Product:

Depreciation of assets in use of production department is charged to cost of production. Management assessed that depreciable assets involved in production comprise 96.78% of

total assets of the company. Therefore, total depreciation charge for the year is apportioned on the same basis and the portion chargeable to production units is charged to cost of product.

8. OVERHEADS

a. Total Amount of overheads:

Sr. #	Overheads	2022	2021	2020 (Unaudited)
		Rupees		
i.	Factory overheads	495,636,200	315,748,407	296,507,046
ii.	Administration & other operating	210,761,639	92,784,221	142,088,512
iii.	Selling & Distribution	19,902,768	14,523,650	8,082,408
iv.	Financial charges	205,930,110	115,282,684	193,172,392
Total		**932,230,717**	**538,338,962**	**639,850,358**

i. Factory Overheads:

Sr. %	Particulars	2022	2021	2020 (unaudited)
		Rupees		
1	Stores, spares and consumable	20,903,682	7,545,412	8,254,227
2	Packing materials consumed	35,876,616	21,376,587	11,832,746
3	Chemicals consumed	43,178,461	15,202,520	10,730,634
4	Indirect labour	28,339,603	25,925,174	18,270,913
5	Fuel and power	33,110,131	16,972,590	21,021,112
6	Repair and maintenance	208,679,614	127,228,980	125,637,337
7	Depreciation	101,357,186	90,607,320	92,636,760
8	Vehicle running expenses	7,695,373	5,159,401	3,899,469
9	Fee and subscription	169,025	60,000	49,700
10	Provision for slow moving stores and spares	-	-	-
11	Insurance	1,707,141	56,438	38,211
12	Other factory overheads	14,619,368	5,613,985	4,135,937
Total		**495,636,200**	**315,748,407**	**296,507,046**

ii. Administrative Overheads:

Sr. %	Particulars	2022	2021	2020 (unaudited)
		Rupees		
1	Salaries, wages and benefits (Annex 6)	69,329,989	55,268,351	39,573,845
2	Director's meeting fee	300,000	-	-
3	Traveling and conveyance	232,170	84,816	137,724

4	Rent, rates and taxes	288,000	241,500	1,236,000
5	Telephone and postage	995,113	966,418	896,236
6	Printing and stationery	1,931,927	1,279,175	1,034,173
7	Fee and subscription	4,937,561	2,409,841	2,743,841
8	Insurance	2,460,671	2,142,089	-
9	Repair and maintenance	7,044,905	4,112,539	4,833,630
10	Vehicle running expenses	4,707,210	2,925,721	2,334,125
11	Entertainment	1,972,031	1,519,523	123,664
12	Auditors remuneration	1,236,250	932,500	1,382,500
13	Legal and professional charges	3,449,913	3,758,906	356,610
14	Charity and donations	82,500	-	4,895,683
15	Depreciation	3,373,072	2,723,439	1,130,034
16	Others	108,420,327	14,419,403	81,410,447
Total		**210,761,639**	**92,784,221**	**142,088,512**

iii. Selling and distribution:

Sr. %	Particulars	2022	2021	2020 (unaudited)
		Rupees		
1	Salaries, wages and benefits (Annex 6)	3,704,253	3,192,992	2,231,316
2	Stacking/restacking	12,288,307	6,882,931	5,134,349
3	Insurance	1,120,008	646,727	716,743
4	Commission on sale of sugar	2,790,200	3,801,000	-
Total		**19,902,768**	**14,523,650**	**8,082,408**

b. Reasons for Significant Variances:

Factory overhead

Sr. %	Particulars	2022	2021	2020 (unaudited)	2022	2021
		Rupees			Variance increase/ (decrease)	
1	Stores, spares and consumable	20,903,682	7,545,412	8,254,227	13,358,270	(708,815)
2	Packing materials consumed	35,876,616	21,376,587	11,832,746	14,500,029	9,543,841
3	Chemicals consumed	43,178,461	15,202,520	10,730,634	27,975,941	4,471,886
4	Indirect labor	28,339,603	25,925,174	18,270,913	2,414,429	7,654,261

5	Fuel and power	33,110,131	16,972,590	21,021,112	16,137,541	(4,048,522)
6	Repair and maintenance	208,679,614	127,228,980	125,637,337	81,450,634	1,591,643
7	Depreciation	101,357,186	90,607,320	92,636,760	10,749,866	(2,029,440)
8	Vehicle running expenses	7,695,373	5,159,401	3,899,469	2,535,972	1,259,932
9	Fee and subscription	169,025	60,000	49,700	109,025	10,300
10	Provision for slow moving stores and spares	-	-	-	-	-
11	Insurance	1,707,141	56,438	38,211	1,650,703	18,227
12	Other factory overheads	14,619,368	5,613,985	4,135,937	9,005,383	1,478,048
Total		**495,636,200**	**315,748,407**	**296,507,046**		

Comments on Variance:

The increase in factory overheads is mainly due to increase in packing material, consumable stores, fuel and power and chemical consumed increased because of increase in production as consumption of these are directly proportional to production which is increased by 30.18% in current year and also includes inflationary impact on prices. Repair and maintenance expenses increased because repair and maintenance of plant and machinery mainly.

Administrative Overheads:

Sr. #	Particulars	2022	2021	2020 (unaudited)	2022	2021
		Rupees			Variance Increase/ (decrease)	
1	Salaries, wages and benefits (Annex 6)	69,329,989	55,268,351	39,573,845	14,061,638	15,694,506
	Director's meeting fee	300,000	-	-	300,000	-
2	Traveling and conveyance	232,170	84,816	137,724	147,354	(52,908)
3	Rent, rates and taxes	288,000	241,500	1,236,000	46,500	(994,500)
4	Telephone and postage	995,113	966,418	896,236	28,695	70,182
5	Printing and stationery	1,931,927	1,279,175	1,034,173	652,752	245,002
6	Fee and subscription	4,937,561	2,409,841	2,743,841	2,527,720	(334,000)

7	Insurance	2,460,671	2,142,089	-	318,582	2,142,089
8	Repair and maintenance	7,044,905	4,112,539	4,833,630	2,932,366	(721,091)
9	Vehicle running expenses	4,707,210	2,925,721	2,334,125	1,781,489	591,596
10	Entertainment	1,972,031	1,519,523	123,664	452,508	1,395,859
11	Auditors remuneration	1,236,250	932,500	1,382,500	303,750	(450,000)
12	Legal and professional charges	3,449,913	3,758,906	356,610	(308,993)	3,402,296
13	Charity and donations	82,500	-	4,895,683	82,500	(4,895,683)
14	Depreciation	3,373,072	2,723,439	1,130,034	649,633	1,593,405
15	Other Expenses	108,420,327	14,419,403	81,410,447	94,000,924	(66,991,044)
Total		**210,761,639**	**92,784,221**	**142,088,512**		

Comments on Variance:

The increase in administration overheads is mainly because of increase in provision for doubtful receivables by Rs. 105.742 million, (2021: Nil) as compared to last year (other expenses). Salaries increased due to increment.

Selling and distribution:

Sr. %	Particulars	2022	2021	2020 (unaudited)	2022	2021
		Rupees			Variance Increase/ (decrease)	
1	Salaries, wages and benefits (Annex 6)	3,704,253	3,192,992	2,231,316	511,261	961,676
2	Stacking/restacking	12,288,307	6,882,931	5,134,349	5,405,376	1,748,582
3	Insurance	1,120,008	646,727	716,743	473,281	(70,016)
4	Commission on sale of sugar	2,790,200	3,801,000	-	(1,010,800)	3,801,000
Total		**19,902,768**	**14,523,650**	**8,082,408**		

Comments on Variance:

The increase in selling and distribution expense is mainly due to increase in stacking and restacking expenses of sugar due to increase in production.

c. Basis of Allocation of Overheads:

Identifiable costs are separately allocated to each cost center, while common costs are allocated on some rational basis like depreciation expense is allocated on the basis of 96.78% to cost of sales and 3.22% to administration expenses.

d. Cost of Packing Material:

Particulars	2022	2021
	Rupees	Rupees
Poly Propylene Bag	35,560,661	21,171,165
Thread Cone (1k.g thread white)	300,234	191,921
Thread Cone (20/6)	14,871	12,651
Thread Cone (250 g)	850	850
Total	**35,876,616**	**21,376,587**

9. ROYALTY / TECHNICAL AID PAYMENT

The Company has not paid any amount as royalty/ technical services fees for the year. Therefore, disclosure of total amount and the amount chargeable per unit of the product is not applicable to the company.

10. ABNORMAL NON-RECURRING FEATURES

a. There were no abnormal features affecting production during the year. Therefore, disclosure of impact on cost of production and allocated cost per unit is not applicable to the Company.
b. The Company manufactures only one product i.e. white refined sugar and there are no special expenses which may be directly attributable to that product.

11. COST OF PRODUCTION (Refer annexure 1)

Cost per unit (during the year):

Product	2022	2021	Increase/ (Decrease)	
	Rupees/ M.Ton	Rupees/ M.Ton	Rupees/ M.Ton	Percentage
White refined sugar	82,848.72	84,510.40	(1,661.68)	(1.97%)

Despite the increase in production cost due to inflation, relative decrease in cost/ M.Ton of white refined sugar is (1.97%) primarily because of economies of scales achieved due to increase in volume of production by 30.18% from last year.

12. SALES

a. Sales (Local)	2022	2021
Sales white sugar (Metric ton)	**46,391.85**	**45,066.25**

White refined sugar	2022 (Rupees)		2021 (Rupees)	
	Rupees	Rupees per M.Ton	Rupees	Rupees per M.Ton
Net Sale	3,315,007,654	71,456.68	3,427,400,555	76,052.50
Sales Tax	578,660,610	12,473.32	582,659,297	12,928.95
Gross sale	3,893,668,264	83,930.01	4,010,059,852	88,981.45

b. Sales (Export)

The Company did not export any of its product during the year.

The above mentioned local sales does not include sales of by products and related sales tax.

13. PROFITABILITY

Profit/ (Loss) per unit (M.Ton):

Description	2022		2021	
	Rupees	Rs. Per M.Ton	Rupees	Rs. Per M.Ton
Gross sugar sales (own manufactured)	3,893,668,264	83,930.01	4,010,059,852	88,981.45
Total cost to make and sell (Annexure-1)	4,382,509,665	94,467.23	3,981,955,386	88,357.82
(Loss)/ profitability (owned manufactured)	(488,841,401)	(10,537.23)	28,104,466	623.62

Profitability per machine hour	2022	2021
	Rupees	
(Loss)/ profitability (owned manufactured)	(488,841,401)	28,104,466
Machine Hours of actual crushing	2,791:20	2,525:45
(Loss)/ profitability Rs./ Machine hour	(175,136.64)	11,127.18

Comments:

As there is only one product therefore comments on comparative profits of different categories and comments on the adequacy or otherwise of the product for maximization of profits is not relevant.

14. RELATED PARTY TRANSACTIONS

a. Sale of items

Name	Address	Goods given	Quantity	Value	Market price/ normal price
				Rupees	
Naubahar Bottling Company (Private) Limited	38/40 Small Industrial Estate, Model Town Gujranwala	Sale of sugar (bags)	316,000 (50 kg bags)	1,377,915,000	1,377,915,000
The Thal Industries Corporation Limited	2-D/ 1, Gulberg III, Lahore	Boiler Tubes (Kgs)	171,000	400,140	400,140
		VFD (Unit)	50	117,000	117,000
Almoiz Industries Limited	2-D/ 1, Gulberg III, Lahore	Scrap Sale (Kgs)	366,430	43,697,340	43,697,340

b. Purchase of items

Name	Address	Goods received	Quantity	Value	Normal price/ Transfer price
The Thal Industries Corporation Limited	2-D/ 1, Gulberg III, Lahore	Dozing pump with motor	4 Units	1,804,140	1,804,140
		Sugar mill oil	1,335 liter	1,304,939	1,304,939
		Fertilizer	1,000 bags	950,000	950,000
		Mill Roller Shaft	1 Unit	3,009,313	3,009,313
		Decolorizer Chemical	13,650 liter	11,097,262	11,097,262
		Trichogamma card	120,000	330,000	330,000
Almoiz Industries Limited	2-D/ 1, Gulberg III, Lahore	Sugar Press Oil	6,150 liter	7,995,000	7,995,000

15. DISTRIBUTION OF EARNING/ (LOSS)

Particulars	Rupees
Employees as salaries and wages, retirement benefits	239,118,251
Shareholders as dividends	-
Company as retained earnings	(242,296,861)
Governments as taxes	74,637,419
Extra ordinary expenses	-

16. ADJUSTMENT OF COST VARIANCES:

The Company maintains cost records on actual basis therefore, there are no variances between actual cost and the Company maintained records.

17. COST AUDITORS' OBSERVATIONS AND CONCLUSIONS

In the course of our examination of the cost accounts of BABA FARID SUGAR MILLS LIMITED for the year ended September 30, 2022, certain weaknesses in the procedures, internal controls and accounting methods came to our notice. We are giving below our observations and conclusions to draw attention to these matters. The responsibility for maintenance of an adequate system of internal controls as well as for prevention and detection of irregularities and frauds rests with the management.

Our audit involves evaluating only those systems and internal controls in the organization upon which we rely for the purpose of determining our audit procedures. Accordingly, our audit may not have identified, and the comments in this report may not be a comprehensive record of all the weaknesses that may exist. However, our audit was planned so that we would have a reasonable expectation of detecting material misstatements in the accounts.

a. **Matters which appear clearly wrong in principle**
   There was no such matter. However, we have noted certain opportunities for improvement which are reported in suggestions for improvement in performance.

b. **Usage of company's funds**
   There was no such observation/ finding where the Company's funds have been used in a negligent or inefficient manner.

c. **Controlling factors**
   No instances were observed where factors which could have been controlled, but were not controlled, resulting in increase in cost of production. There is an adequate budgeting and control system. The Company has an effective internal audit and control function. The Board of Directors has constituted an audit committee, the meetings of which are held on regular basis.

d. **Suggestion for improvement in performance**
   Steps may be taken to improve the quality of sugarcane in the region by providing advances to growers i.e. sugarcane seed. The better quality of sugarcane will lead to increase in production of white refined sugar (percentage yield).

8. Reconciliation with financial statements:

Sr No	Particulars	2022	2021
		Rupees	
1	Profit or (loss) per cost accounting records	(242,296,861)	122,218,849
2	Add: incomes not considered in cost accounts	-	-
3	Less: expenses not considered in cost accounts	-	-
4	Add: undervaluation of opening stock in financial account	-	-
5	Less: overvaluation of opening stocks in financial accounts	-	-
6	Less: undervaluation of closing stocks in financial accounts	-	-
7	Profit or (loss) as per financial account	**(242,296,861)**	**122,218,849**

9. Cost statement:

Copies of all the cost statements on the formats specified in Schedule 1 to cost audit regulations, duly authenticated by the director and chief financial officer of the Company, and verified by the cost auditor, shall be appended to the report.

Baba Farid Sugar Mills Limited
A- Company Information
Year Ended: September 30, 2022

1.	Name of the Company	Baba Farid Sugar Mills Limited
2.	Date of Incorporation	06-11-1978
3.	Location of Registered Office	2-D-1, Gulberg III, Lahore
4.	Location of Factory	5-KM, Faisalabad Road, Okara
5.	Products other than Sugar being Produced	By-products: Molasses, Bagasse and Press Mud
6.	Installed Cane Crushing Capacity in Tonnes	3,500 M. Ton per day

DIRECTOR

CHIEF FINANCIAL OFFICER

Stamped for Identification

Baba Farid Sugar Mills Limited
B- Production Data
Year Ended: September 30, 2022

S.No.	Particulars	2022	2021
1.	***a) CANE CRUSHED***		
	Date started	15-Nov-21	15-Nov-20
	Date finished	26-Mar-22	10-Mar-21
	Duration of run days	132	116
	Total number of hours in duration	3138-30	2776-45
	Total number of hours of actual crushing	2791-20	2525-45
	Total number of hours lost	347-10	251-00
	Total cane milled (tonnes)	604,762.396	457,224.825
	Converted monds	15,119,059.9	11,430,621
	Total mixed juice obtained (tonnes)	597,334.32	422,428.05
	b)GUR MELTED	-	-
2.	***JUICE & ADDED WATER***		
	Average mixed juice % cane	98.772	92.390
	Average added water % cane	28.253	22.895
3.	***SUGAR MADE***		
	Total sugar bagged of all grade (50 kg) Nos.	1,080,530	830,030
	Sugar bagged (tonnes)	54,026.50	41,501.50
	Sugar in process (tonnes)	68.520	51.550
4.	***MOLASSES EXTRACTED***		
	Total molasses sent out (tonnes)	27,815.000	21,414.992
	Molasses in process (tonnes)	26.184	39.430
5.	***RECOVERY %***		
	Average recovery of marketable white sugar % cane	8.936	9.072
	Average production of final molasses % cane	4.597	4.689
6.	***BY PRODUCTS***		
	Bagasse % cane (calculated) (tonnes).	29.481	30.505
	V.F.Cake % cane (tonnes)	3.000	3.000
7.	***CLARIFICATION PROCESS***		
	- Defecation Melt Phosphitation Sulphitation		

DIRECTOR ***CHIEF FINANCIAL OFFICER***

Baba Farid Sugar Mills Limited
Statement Of Cost Of Production And Sale Of White Bagged Sugar
Year Ended: September 30, 2022

Annexure 1

	2022 (M.Ton)	2021 (M.Ton)
Quantitative Data- Bagged Sugar		
Opening stock	0.50	3,565.25
Production	54,026.50	41,501.50
Closing stock	7,635.15	0.50
Sales	46,391.85	45,066.25

Sr. No.	PARTICULARS	2022 Amount	2022 Cost per Ton of sugar	2021 Amount	2021 Cost per Ton of sugar
		Rupees		Rupees	
1.	***Raw Materials:***				
	(a) Sugar-cane (Annex 3)	3,923,760,273	72,626.59	2,962,860,047	71,391.64
	(a) Sugar-Beet (Annex 4)	-	-	-	-
	(c) Gurr	-	-	-	-
	(a) Raw Sugar	-	-	-	-
	(b) Process material (Annex 5)	43,178,461	799.21	15,202,519	366.31
2.	*Salaries / wages and benefits (Annex 6)*	105,679,298	1,956.06	81,251,874	1,957.81
3.	*Consumable stores*	20,903,682	386.92	6,576,449	158.46
4.	*Repairs and maintenance*	165,529,047	3,063.85	95,934,494	2,311.59
	Utilities:				
5.	*Steam (Annex 7)*	440,570,636	8,154.71	282,384,810	6,804.21
6.	*Electric power (Annex 8)*	433,075,342	8,015.98	286,028,512	6,892.00
7.	*Vehicle running*	1,713,044	31.71	1,101,236	26.53
8.	*Insurance*	1,707,141	31.60	56,438	1.36
9.	*Depreciation*	101,357,186	1,876.06	90,607,320	2,183.23
10.	*Other factory overheads (Annex 9)*	14,619,368	270.60	5,613,985	135.27
11.	***Total cost of utilities***	***5,252,093,478***	***97,213.28***	***3,827,617,685***	***92,228.42***
12.	***Add: opening Work in process***				
	- Sugar	3,622,833	70,278.04	4,671,507	63,213.90
	- Molasses	678,196	17,200.00	210,960	14,400.00
13.	***Less: closing work in process***				
	- Sugar	(4,903,115)	(95,113.77)	(3,622,833)	(70,278.04)
	- Molasses	(510,588)	(12,949.23)	(678,196)	(17,200.00)
14.	***Cost of goods manufactured***	***5,250,980,804***	***97,192.69***	***3,828,199,123***	***92,242.43***
15.	***Less: realisable value of by-products***				
	- Molasses	(596,765,337)	(11,045.79)	(456,225,170)	(10,992.98)
	- Mud	(23,464,779)	(434.32)	(14,851,836)	(357.86)
	- Baggasse	(796,831,399)	(14,749)	(488,166,000)	(11,763)
16.	***Net cost of goods manufacturing***	***3,833,919,289***	***70,963.68***	***2,868,956,117***	***69,128.97***
17.	*Add: packing material and handling*	35,876,616	664.06	21,376,587	515.08
18.	***Net cost of bagged sugar***	***3,869,795,905***	***71,627.74***	***2,890,332,704***	***69,644.05***
19.	*Add: excise duty / sales tax*	-	-	-	-
	- Suagr	578,660,610	10,710.68	582,659,297	14,039.48
	- Molasses	19,649,693	363.70	32,158,359	774.87
	- Mud	3,409,419	63.11	2,157,958	52.00
	- Baggasse	4,510,611	83.49	-	-
20.	***Total cost of bagged sugar***	***4,476,026,238***	***82,848.72***	***3,507,308,318***	***84,510.40***
21.	***Add: opening stock of finished goods***				
	- Sugar	35,397	70,794.00	252,091,911	124,736
	- Molasses	-	-	-	-
	- Press mud	-	-	-	-
22.	***Less: closing stock of finished goods***				
	- Sugar	(530,146,487)	(69,435)	(35,397)	(70,794)
	- Molasses	-	-	-	-
	- Press mud	-	-	-	-
23.	***Cost of goods sold***	***3,945,915,148***	***85,056.21***	***3,759,364,832***	***83,418.63***
24.	*Administrative expenses (Annex 10)*	210,761,639	4,543.07	92,784,221	2,058.84
25.	*Selling and distribution expenses (Annex 11)*	19,902,768	429.01	14,523,650	322.27
26.	*Financial expenses*	205,930,110	4,438.93	115,282,684	2,558.07
27.	***Other charges***	-	-	-	-
	Total cost to make and sell	***4,382,509,665***	***94,467.23***	***3,981,955,386***	***88,357.82***

DIRECTOR

CHIEF FINANCIAL OFFICER

Annexure-2

Baba Farid Sugar Mills Limited
Statement Showing Cost Of Sugar Cane Produced
For The Year Ended September 30, 2022

S.No	Particulars	2022		2021	
		Rupees	Per metric ton	Rupees	Per metric ton
1	**Seeds & other inputs:**				
	Seed				
	Fertilizers, herbicides etc.				
	Insecticides				
	Abiana/water charges				
	Total cost of inputs				
2	**Labour cost:**				
	Land preparation	NOT APPLICABLE			
	Plantation				
	Maintenance of cane crop/rations				
	Operation of tractors				
	Harvesting				
	Total labour cost				
3	**Other cost:**				
	Fuel for tractors operation				
	Maintenance and over haul of tractors				
	Insurance				
	Interest expenses				
	Description 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				

DIRECTOR

CHIEF FINANCIAL OFFICER

Baba Farid Sugar Mills Limited
Statement Of Cost Of Sugar-Cane Produced
Year Ended: September 30, 2022

Annexure 2

The Company did not cultivate sugar-cane on own farms for profit purposes during the year as well as in previous year.

DIRECTOR

CHIEF FINANCIAL OFFICER

For Identification
RSRIR
C&S

Baba Farid Sugar Mills Limited
Statement Of Cost Of Sugar-Cane Crushed
Year Ended: September 30, 2022

Annexure 3

		2022			2021		
		Quantity	Rate	Amount	Quantity	Rate	Amount
S.No.	Particulars	M. Ton	Rs./M.Ton	Rs.	M. Ton	Rs./M.Ton	Rs.
1.	**Total Sugar-cane purchased at Government fixed rate at factory gate**	604,762.396	6,360.43	3,846,550,278	457,224.825	6,353.89	2,905,158,175
	Sugar cane produced from own farm (Annex-2)	-	-	-	-	-	-
	Less: Loss in Transit	-	-	-	-	-	-
	Total	**604,762.396**	**6,360.432**	**3,846,550,278**	**457,224.825**	**6,353.89**	**2,905,158,175**
2.	**Commision**	-	-	-	-	-	-
3.	**Quality premium**	604,762.396	16.34	9,880,756	457,224.825	1.45	663,274
4.	**Loading / unloading charges**	604,762.396	0.04	23,333	457,224.825	0.21	97,223
5.	**Cane development expenses:**						
	a) Salaries and wages of supply and development staff (Annex- 6)	604,762.396	46.86	28,339,603	457,224.825	56.70	25,925,174
	b) Sugarcane development research	604,762.396	2.78	1,681,294	457,224.825	7.29	3,332,916
	c) Supply staff and transportation expenses	604,762.396	11.40	6,893,515	457,224.825	8.88	4,058,165
	d) Other expenditure	604,762.396	1.41	851,657	457,224.825	1.42	647,572
6.	**Taxes and levies:**						
	c) Cane cess/ purchase tax	604,762.396	-	-	457,224.825	-	-
	b) Market committee fee	604,762.396	10.00	6,047,623	457,224.825	10.00	4,572,248
	c) Road cess	604,762.396	37.50	22,679,468	457,224.825	37.50	17,146,643
	d) Octori	-	-	-	-	-	-
	e) Other levies	-	-	-	-	-	-
7.	**Transportation charges:**						
	a) Transport Expenses	604,762.396	-	-	457,224.825	1.19	544,257
	b) Loading unloading	604,762.396	0.47	285,149	457,224.825	1.10	502,028
8.	**Other expenditures at cane collection centres:**						
	a) Salaries and wages	-	-	-	-	-	-
	b) Repairs and maintenance	604,762.396	0.87	527,597	457,224.825	0.46	212,372
	b) Others	604,762.396	-	-	457,224.825	-	-
	Less:						
	Total cost of "SUGARCANE" transferred to production processes (Annex 1)	**604,762.40**	**6,488.10**	**3,923,760,273**	**457,224.83**	**6,480.09**	**2,962,860,047**

DIRECTOR

CHIEF FINANCIAL OFFICER

Annexure-4

Baba Farid Sugar Mills Limited
Statement Showing Cost Of Beet Consumed
For The Year Ended September 30, 2022

S.No	Particulars	2022			2021		
		Metric tons	Per metric ton	Rupees	Metric tons	Per metric ton	Rupees
1	**Total beet purchased at govt. fixed rate**						
	Less: loss in transit						
	Beet received at factory gate						
2	Commission paid						
3	Loading un-loading						
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 expenditures						
5	**Taxes and Levies (if any)**						
	a. Purchase tax						
	b. Market committee fee						
	c. Road cess						
	d. Octoroi						
	e. Other levies						
6	**Transportation charges:**						
	a. Delivery expenses/Travelling from purchases center to mill gate						
	b. Transport subsidy						
	c. Others						
7	**Other expenditures at best collection centers:**						
	a. Salaries and wages						
	b. Stores						
	c. Repair and maintenanc						
	d. Others						
	Total cost of "beet" transferred to production process (Annexure-1)						

NOT APPLICABLE

DIRECTOR

CHIEF FINANCIAL OFFICER

Baba Farid Sugar Mills Limited
Statement Of Cost Of Process Material Consumed
Year Ended: September 30, 2022

Annexure 5

S.No.	Particulars	2022 Amount	2022 Cost Per Ton of Sugar	2021 Amount	2021 Cost Per Ton of Sugar
		---------- Rupees ----------		---------- Rupees ----------	
	Total Sugar Produced (M.Ton)	***54,026.50***		***41,501.50***	
1.	Phosphoric Acid	20,480,110	379.08	1,942,448	46.80
2.	Filter Acid.(HCL)	173,867	3.22	71,647	1.73
3.	Acid Inhibitor (Kafzol RN)	286,785	5.31	155,990	3.76
4.	Bleaching Powder	530,414	9.82	269,000	6.48
5.	BIO CIDE (Preventol ZL)	456,125	8.44	378,000	9.11
6.	Chemfloc 57/56 HP/ Accofloc(Poly Electrolyte)	628,800	11.64	664,875	16.02
7.	Colour Quest 55(DeColourizer)	8,407,025	155.61	4,225,185	101.81
8.	Chem Float - 100 (Floatation Aid)	1,035,369	19.16	203,111	4.89
9.	Accofloc A-110PWG	1,335,300	24.72	280,000	6.75
10.	Chemrite FD 30 DC Antifoam	21,067	0.39	27,450	0.66
11.	Formaline.	95,160	1.76	37,911	0.91
12.	Unslaked Lime	4,895,105	90.61	3,707,631	89.34
13.	Soda Ash	457,600	8.47	409,916	9.88
14.	Solid Caustic Soda.	3,103,264	57.44	2,265,750	54.59
15.	Tri Sodium Phosphate(Chem Float A 100)	59,400	1.10	8,424	0.20
16.	Visc Aid (Hostapal)	-	-	2,750	0.07
17.	Iso-propyle Alcohol	536,085	9.92	487,991	11.76
18.	Laboratory Chemicals.	29,680	0.55	64,440	1.55
19.	Lead Sub Acetate	225,000	4.16	-	-
20.	Misc. Chemical consumed	422,305	7.82	-	-
	Total	***43,178,461***	***799.21***	***15,202,519***	***366.31***
	Less allocated to:				
(a)	Electricity generation	-	-	-	-
(b)	Steam generation	-	-	-	-
(c)	Raw material	-	-	-	-
(d)	Admin. expenses	-	-	-	-
(e)	Selling and distribution expenditure	-	-	-	-
(f)	Store consumption	-	-	-	-
	Balance transferred to production process (Annex 1)	***43,178,461***	***799.21***	***15,202,519***	***366.31***

DIRECTOR

CHIEF FINANCIAL OFFICER

Baba Farid Sugar Mills Limited
Statement Of Cost Of Salaries, Wages And Benefits
Year Ended: September 30, 2022

Annexure 6

S.No.	Particulars	2022 Amount	2022 Cost Per Ton of Sugar	2021 Amount	2021 Cost Per Ton of Sugar
		---------- Rupees ----------		---------- Rupees ----------	
		54,026.50		41,501.50	
	Total Sugar Produced (M.Ton)				
	Cost:				
1.	**Salaries/Wages**				
(i)	Officers and other staff	66,636,776	1,233.41	53,751,218	1,295.16
(ii)	Seasonal employees	277,585	5.14	219,143	5.28
(iii)	Daily waged and contract labor	138,366,612	2,561.09	110,279,187	2,657.23
(iv)	Bonuses	13,345,024	247.01	13,093,512	315.49
(v)	Extra Duty Time	2,758,318	51.05	4,108,245	98.99
2.	***Benefits***				
(i)	Medical expenses	26,012	0.48	2,509	0.06
(ii)	Education cess	40,850	0.76	80,000	1.93
(iii)	Gratuity	5,532,233	102.40	5,525,822	133.15
(iv)	Staff welfare	1,769,083	32.74	-	-
(v)	Social security	5,712,261	105.73	5,567,855	134.16
(vi)	Employee old-age benefits institution (E.O.B.I)	3,842,867	71.13	3,486,705	84.01
(vii)	Uniform and liveries	564,660	10.45	363,079	8.75
(viii)	Other benefits	245,970	4.55	324,771	7.83
	Total	***239,118,251***	***4,425.94***	***196,802,046***	***4,742.05***
	Less allocated to:				
(a)	Electricity generation	19,217,266	355.70	17,369,317	418.52
(b)	Steam generation	12,847,842	237.81	13,794,338	332.38
(c)	Raw material	28,339,603	524.55	25,925,174	624.68
(d)	Admin expenses	69,329,989	1,283.26	55,268,351	1,331.72
(e)	Selling and distribution expenses	3,704,253	68.56	3,192,992	76.94
(f)	Any other	-	-	-	-
	Balance transferred to production process (Annex 1)	***105,679,298***	***1,956.06***	***81,251,874***	***1,957.81***

DIRECTOR

CHIEF FINANCIAL OFFICER

Baba Farid Sugar Mills Limited

Annexure 7

Statement Of Cost Of Steam Purchased / Generated & Consumed

Year Ended: September 30, 2022

S.No.	Particulars	Units	2022	2021	Variance
	Types of steam boilers used: drum water tubes	Nos.	3	3	-
1.	***No. of days worked***	Days	132	116	16
2.	***Installed capacity (steam in tonnes)***	Tonnes	554,400	487,200	67,200
3.	***Utilized capacity (steam in tonnes)***	Tonnes	303,196	232,861	70,335
4.	***Production:***				
	(a) High pressure steam		-	-	-
	(b) Medium pressure steam	Tonnes	303,196	232,861	70,335
	(c) Low pressure steam		-	-	-
	(d) Less: transit losses	Tonnes	3,032	2,329	703
	Total	Tonnes	300,164	230,532	69,632
5.	Percentage of capacity utilisation (3/2*100)	%	54.69	47.80	6.89

			2022			2021		
			Quantity	Rate per M.Ton	Amount	Quantity	Rate per M.Ton	Amount
S.No.	Particulars	UOM		--------- Rupees ---------			--------- Rupees ---------	
			604,762					
1.	***Water & Fuels:***							
	(a) Bagasse							
	(i) Own	M.Tons	172,319	4,444	765,787,769.12	139,476	3,500	488,166,000
	(ii) Purchased	M.Tons	1,044	6,500	6,786,585	-	-	-
	(b) Maize Straw	(M.Tons)	-	-	-	-	-	-
	(c) Boora	(M.Tons)	-	-	-	-	-	-
	(d) Furnace oil	(Liter)		-	-	-	-	-
	(e) Rice husk consumed	(M.Tons)	-	-	-	-	-	-
	(f) Bagasse handling & Fly ash charges		-	-	6,440,607	-	-	5,039,272
	(g) Fuel for generator	(Liter)	39,100	161.03	6,296,093	15,701	99	1,547,736
	(h) Fire wood consumed	M.Tons	35	9,800	338,083	87	10,046	871,790
	(i) Chemical consumed (Annex 5)	Liter	-	-	-	-	-	-
	(J) Electricity Duty		-	-	-	-	-	-
2.	***Quantity of waste heat from the plant, if any***				-			-
3.	***Consumable stores***				-			-
4.	***Direct salaries, wages and benefits (Annex 6)***				12,847,842			13,794,338

5.	*Repairs and maintenance*			17,342,354			13,486,874
6.	*Other direct expenses (e.g. Boiler inspection fee etc.)*			30,000			30,000
7.	*Insurance*			-			-
8.	*Depreciation*			-			-
9.	***Total cost of steam raised***	***300,164***	***2,718***	***815,869,333***	***230,532***	***2,268.39***	***522,936,010***
	Less : outside sale	-	-	-	-	-	-
10.	***Total cost of steam for self consumption***	300,164	2,718	815,869,333	230,532	2,268.39	522,936,010
	Add: cost of steam purchased	-	-	-	-	-	-
11.	***Total cost of steam consumed***	***300,164***	***2,718***	***815,869,333***	***230,532***	***2,268.39***	***522,936,010***
12.	***Allocation***						
	Total of item 12 allocated to:						
	(i) White bagged sugar (Annexure-1)	162,089	2,718	440,570,636	124,487	2,268.39	282,384,810
	(ii) Electric power house (Annexure-8)	138,075	2,718	375,298,697	106,045	2,268.39	240,551,200
	(iii) Others	-	-	-	-	-	
	(a) Staff colony	-	-	-	-	-	-
	(b) Office building etc.	-	-	-	-	-	-
	Total	***300,164***	***2,718***	***815,869,333***	***230,532***	***2,268.39***	***522,936,010***

DIRECTOR

CHIEF FINANCIAL OFFICER

Baba Farid Sugar Mills Limited

Statement Of Cost Of Electric Power Purchased / Generated

And Consumed For The Year Ended 30 September 2022

Annexure 8

S.No.	Particulars	2022	2021	Variance
1.	Installed Capacity (KWH) *	27,720,000	24,990,000	2,730,000
2.	No. of units generated (KWH)	11,718,817	8,966,045	2,752,772
3.	No. of units purchased (KWH)	423,980	550,292	(126,312)
4.	Total (2 + 3)	12,142,797	9,516,337	2,626,460
5.	Consumption in Power House including other losses	-	-	-
6.	Net units consumed (4-5)	12,142,797	9,516,337	2,626,460
7.	Percentage of consumption and losses to total units available=5/4*100	-	-	-
8.	Percentage of power generated to installed capacity 2/1*100	42.28	35.88	6.40

		2022			2021		
		Quantity	Rate per Unit	Amount	Quantity	Rate per Unit	Amount
S.No.	Particulars	KWH	--------- Rupees ---------		KWH	--------- Rupees ---------	
1.	Steam (Annex 7)	138,075	2,718.08	375,298,697	106,045	2,268.39	240,551,200
2.	Consumable stores	-	-	-	-	-	-
3.	Salaries and wages (Annex 6)			19,217,266			17,369,317
4.	Other direct expenses	-	-	-	-	-	-
5.	Repairs and maintenance	-	-	25,280,616	-	-	17,595,240
6.	Duty on electricity	-	-	-	-	-	-
7.	Inspection fee of electric generators	-	-	30,000	-	-	30,000
8.	Insurance	-	-	-	-	-	-
9.	Depreciation	-	-	-	-	-	-
	Total			***419,826,579***	-	-	***275,545,757***
10.	Less: Cost of power sold						
	(a) credit for exhaust steam used in process etc.	-	-	-	-	-	-
	(b) other credits, if any	-	-	-	-	-	-
11.	***Cost of power generated***	***11,718,817***	***35.82***	***419,826,579***	***8,966,045***	***30.73***	***275,545,757***
12.	Less: cost of power sold	-	-	-	-	-	-
13.	Add:						
	(a) cost of power purchased for factory	421,760	31.41	13,248,763	550,292	19.05	10,482,755
	(b) cost of power purchased for staff colony and office building	2,220	42.35	94,017	-	-	-
14.	***Total net cost of power consumed***	***12,140,577***	***35.68***	***433,169,359***	***9,516,337***	***30.06***	***286,028,512***
15.	Cost per unit average						**30.06**
	Total of item 14 allocated to:						
	White bagged sugar (Annexure-1)	12,140,577	35.67	433,075,342	9,516,337	30.06	286,028,512
	(iii)	-	-	-	-	-	-
	Others:						
	(a) Staff colony	-	-	-	-	-	-
	(b) Office building	-	-	-	-	-	-
	(c) Other (specify)	-	-	-	-	-	-
	Total	***12,140,577***	***35.67***	***433,075,342***	***9,516,337***	***30.06***	***286,028,512***

DIRECTOR

CHIEF FINANCIAL OFFICER

Baba Farid Sugar Mills Limited

Statement Of Other Factory Overheads

For The Year Ended 30 September 2022

Annexure 9

S.No.	Particulars	2022 Amount	2022 Cost Per Ton of Sugar	2021 Amount	2021 Cost Per Ton of Sugar
		--------- Rupees ---------		--------- Rupees ---------	
	Total Sugar Produced (M.Ton)	***54,026.50***		***41,501.50***	
	Cost:				
1.	Rent, rates and taxes	-	-	-	-
2.	Printing and stationery	-	-	228,964	5.52
3.	Postage and Telegram	-	-	-	-
4.	Telephone Fax and Telex	-	-	-	-
5.	Travelling and conveyance	-	-	-	-
6.	Subscription, books and periodicals	109,025	2.02	-	-
7.	Entertainment / Ceremonial	668,938	12.38	80,693	1.94
8.	Security	-	-	-	-
9.	Cash handling	-	-	25,340	0.61
10.	Freight & Store Handling Charges	6,159,213	114.00	4,049,545	97.58
11.	Other expenses	7,682,192	142.19	1,229,443	29.62
	Total	***14,619,368***	***270.60***	***5,613,985***	***135.27***
	Allocated to:				
	i) White bagged sugar (Annexure-1)	14,619,368	270.60	5,613,985	135.27
	ii) Electric power house	-	-	-	-
	iii) Steam generation	-	-	-	-
	Total	***14,619,368***	***270.60***	***5,613,985***	***135.27***

DIRECTOR

CHIEF FINANCIAL OFFICER

Baba Farid Sugar Mills Limited
Statement Of Administrative Expense
For The Year Ended 31 September 2022

Annexure 10

S.No.	Particulars	2022 Amount	2022 Cost Per Ton of Sugar	2021 Amount	2021 Cost Per Ton of Sugar
		---------- Rupees ----------		---------- Rupees ----------	
1.	***Total Sugar Sold (M.Ton)***	***46,391.85***		***45,066.25***	
2.	***General &Administrative Expenses***				
	Salaries, wages and benefits (Annex 6)	69,329,989	1,494.44	55,268,351	1,226.38
	Director's meeting fee	300,000	6.47	-	-
	Traveling and conveyance	232,170	5.00	84,816	1.88
	Rent, rates and taxes	288,000	6.21	241,500	5.36
	Telephone and postage	995,113	21.45	966,418	21.44
	Printing and stationery	1,931,927	41.64	1,279,175	28.38
	Fee and subscription	4,937,561	106.43	2,409,841	53.47
	Insurance	2,460,671	53.04	2,142,089	47.53
	Repair and maintenance	7,044,905	151.86	4,112,539	91.26
	Vehicle running expenses	4,707,210	101.47	2,925,721	64.92
	Entertainment	1,972,031	42.51	1,519,523	33.72
	Auditors' remuneration	1,236,250	26.65	932,500	20.69
	Legal and professional charges	3,449,913	74.36	3,758,906	83.41
	Charity and donations	82,500	1.78	-	-
	Depreciation	3,373,072	72.71	2,723,439	60.43
	Others	108,420,327	2,337.06	14,419,403	319.96
	Total (Annexure-1)	***210,761,639***	***4,543.07***	***92,784,221***	***2,058.84***

DIRECTOR

CHIEF FINANCIAL OFFICER

Baba Farid Sugar Mills Limited
Statement Of Selling Expenses
For The Year Ended 30 September 2022

Annexure 11

S.No.	Particulars	2022 Amount	2022 Cost Per Ton of Sugar	2021 Amount	2021 Cost Per Ton of Sugar
		---------- Rupees ----------		---------- Rupees ----------	
1.	**Total Sugar Sold (M.Ton)**	**46,391.85**		**45,066.25**	
2.	**Cost:**				
	Salaries, wages and benefits (Annex 6)	3,704,253	79.85	3,192,992	70.85
	Stacking/restacking	12,288,307	264.88	6,882,931	152.73
	Insurance	1,120,008	24.14	646,727	14.35
	Commission on sale of sugar	2,790,200	60.14	3,801,000	84.34
	Total (Annexure-1)	**19,902,768**	**429.01**	**14,523,650**	**322.27**

DIRECTOR

CHIEF FINANCIAL OFFICER