

**AUTHOR'S DECLARATION**

I declare that the work in this dissertation was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the result of my own work. This dissertation has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

**UNIVERSITI TEKNOLOGI MARA**

**BUSINESS ANALYSIS OF RICE  
MILLER INDUSTRY:  
A CASE OF SABARAS SDN BHD**

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Dissertation submitted in partial fulfillment of the  
requirements for the degree of

**Master of Business Administration**

**Arshad Ayub Graduate Business School**

**June 2017**

## ACKNOWLEDGEMENT

Rice miller plays an important role in processing raw paddy into consumable rice. The rising numbers of world population are indirectly related with the increasing demand of rice from rice consumers. Hence, the numbers of rice miller players were significantly growing in Malaysia as well, observing the additional new rice brands in supermarket shelves. However, only few were able to sustain for a long-run profitability, given the current scenario and sensitivity on subsidy, pricing, purchases and rice recovery ratio. The purpose of this study is to examine the financial performance of Sabaras based on its current practices and see how the outcomes affect its profitability and long-term sustainability. Operational details and business accounts were obtained as an input for this study, which produced results that were derived using both quantitative and qualitative tools. Thus, the finding shows that Sabaras has to play by volume-based selling based on economies of scale concept, for at least to breakeven. It is also found agent cost is twice higher than selling through distributors. With ample information of Sabaras internal and external analysis, and consideration upon the surmises made, a positive forecast financial projection is derived.

For allowing us to use the process as a subject of study for this project and their contribution as giving valuable information to us

Our sincere thanks goes to UiTM's EMBA Coordinator, Dr. Nahita Arwa Binti Anindia for always has given us vision with us during the course of this research. We would also like to extend our heartfelt gratitude to Dr. Carol Tee Boon Chai and Dr. Ananda Albert Guep for their insightful comments and encouragement that greatly improved our report.

Last but not least, we would like to thank to our family who has contributed a great deal of understanding and for supporting us in completing this report. Finally, we hope that this research would be benefited to all readers and thanks once again to each individual who has helped us to complete this report would not have been possible.

## ACKNOWLEDGEMENT

First of all, thanks to Allah S.W.T for his mercy and guidance in giving us full strength to complete this report. Secondly, we would like to express our sincere gratitude to our advisor Associate Professor Dr. Imbarine Bujang for his constant advice, guidance, constructive and critical comments from the very beginning of this work until the final date of submission. His patience, motivation and immense knowledge made it possible for us to complete this project on time.

### LIST OF FIGURES

It is a pleasure for us to take this opportunity to acknowledge and express our thanks and appreciation to a few individuals who had helped us throughout the research process. This report became reality due to their assistance, guidance, ideas, advice, and suggestions.

#### 1.1 Background of the Study

We would like to dedicate our special thanks and appreciation to Sabaras Sdn. Bhd., particularly Tuan Hj. Ibrahim Sjahpadu, Head of Subsidiaries of Sabah Land Development Board (SLDB), Encik Zulkifly Umar, staff, and the management of Sabaras, for allowing us to use the premise as a subject of study for this project and their contribution in giving valuable information to us.

#### 1.2 Scope of Study

Our sincere thanks goes to UiTM's EMBA Coordinator, Dr. Nabila Azwa Binti Ambad for sharing her pearls of wisdom with us during the course of this research. We would also like to extend our heartfelt gratitude to Dr. Carol Teo Boon Chui and Dr. Imelda Albert Gisip for their insightful comments and encouragement that greatly improved our report.

#### 1.3 Chapter Three: Research Design and Methodology

Last but not least, we would like to thank to our family who has contribute a great deal of understanding and for supporting us in completing this report. Finally, we hope that this research would be benefited to all readers and thanks once again to each individual as mentioned above, without them this report would not have been possible.

### 2.1 Introduction

#### 2.1.1 The Situation Of Rice Milling In Malaysia

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