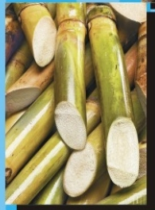


# Tandlianwala Sugar Mills Ltd.

December 31,

# 2015

## Quarterly Report



**DIRECTORS REVIEW**

**Dear Shareholders,**

It is my pleasure to present the Un-Audited Financial Statements of 1<sup>st</sup> Quarter ending 31st December 2015, along with a brief review thereon.

Although the first quarter of the Sugar Sector financial year never depicts a true picture of the financial position, since the crushing season had just commenced, however the Company earned a net profit of Rs 122.321 Million, as compared to the last year quarter/period net profit of Rs 109.435 Million.

The crushing season 2015-2016 started around same time as last crushing season 2014-2015. The sugar cane crop seemed a little reduced than last season.

The minimum support price of sugar cane announced by the Government of Punjab remained the same as last year at Rs 180 per 40 Kg.

Both our distilleries also started production during the period. The ethanol prices remained low internationally but the raw material (Molasses) prices, locally increased, as the season progressed.

On behalf of Board of Directors

**AKBAR KHAN**  
(Chief Executive Officer)  
April 11, 2016

**TANDLIANWALA SUGAR MILLS LTD.**

**BALANCE SHEET (UN-AUDITED)**

	(Un-Audited) 31 December 2015 Rupees	(Audited) 30 September 2015 Rupees
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
<b>Authorized capital</b>		
120,000,000 ordinary shares of Rs. 10 each	<b>1,200,000,000</b>	1,200,000,000
<b>Issued, subscribed and paid-up capital</b>		
117,706,300 ordinary shares of Rs. 10 each fully paid in cash	<b>1,177,063,000</b>	1,177,063,000
Reserves	<b>1,849,703,412</b>	1,727,382,859
<b>Loan from Directors - unsecured</b>	<b>1,969,962,036</b>	1,971,962,036
	<b>4,996,728,448</b>	4,876,407,895
<b>NON CURRENT LIABILITIES</b>		
Long term finances - secured	<b>1,215,709,720</b>	1,244,915,364
Liabilities against assets subject to finance lease	<b>166,890,037</b>	144,757,046
Advances from customers	<b>1,621,158,936</b>	1,429,124,273
Deferred liabilities		
-Employees' retirement benefits	<b>187,594,990</b>	187,602,200
-Deferred taxation	<b>41,768,921</b>	41,768,921
	<b>3,233,122,604</b>	3,048,167,804
<b>CURRENT LIABILITIES</b>		
Short term borrowings - secured	<b>6,917,834,390</b>	6,518,817,533
Current portion of non-current liabilities	<b>397,288,017</b>	450,239,318
Trade and other payables	<b>4,182,128,013</b>	1,942,606,092
Interest and mark-up accrued	<b>282,492,646</b>	204,952,492
Provision for taxation	<b>25,212,903</b>	-
	<b>11,804,955,969</b>	9,116,615,435
<b>CONTINGENCIES AND COMMITMENTS</b>	-	-
	<b>20,034,807,021</b>	17,041,191,134

Lahore  
April 11, 2016

Chief Executive

**TANDLIANWALA SUGAR MILLS LTD.**

**AS AT DECEMBER 31, 2015**

	<b>(Un-Audited) 31 December 2015 Rupees</b>	<b>(Audited) 30 September 2015 Rupees</b>
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment	10,835,961,127	10,954,043,101
Long term deposits	<u>155,514,132</u>	<u>106,240,681</u>
	<b>10,991,475,259</b>	<b>11,060,283,782</b>
<b>CURRENT ASSETS</b>		
Stores, spares and loose tools	744,590,901	647,128,600
Stock in trade	6,230,676,075	4,022,346,578
Trade debtors	226,256,007	233,927,231
Advances, deposits, prepayments and other receivables	753,960,930	576,132,111
Tax refunds due from government	373,362,754	345,840,298
Cash and bank balances	714,485,095	155,532,534
	<u>9,043,331,762</u>	5,980,907,352
	<u><b>20,034,807,021</b></u>	<u><b>17,041,191,134</b></u>
		Director

## TANGLIANWALA SUGAR MILLS LTD.

### PROFIT AND LOSS ACCOUNT (UN-AUDITED)

For the period ended December 31, 2015

	31 December 2015 (Rupees)	31 December 2014 (Rupees)
Sales - net	2,521,290,298	3,469,166,700
Cost of sales	(2,078,903,139)	(2,959,408,907)
<b>Gross profit</b>	<b>442,387,159</b>	509,757,793
Administrative expenses	(81,937,907)	(74,057,661)
Distribution expenses	(38,365,763)	(83,523,936)
Other operating expenses	(7,764,919)	(7,516,175)
Other income	355,062	3,062,440
	(127,713,527)	(162,035,332)
<b>Profit from operations</b>	<b>314,673,632</b>	347,722,461
Finance cost	(167,140,176)	(203,596,046)
<b>Profit before taxation</b>	<b>147,533,456</b>	144,126,415
Taxation	(25,212,903)	(34,691,667)
<b>Profit after taxation</b>	<b>122,320,553</b>	109,434,748
<b>Earning per share</b>	<b>1.04</b>	0.93

Lahore  
April 11, 2016

Chief Executive

Director

## TANGLIANWALA SUGAR MILLS LTD.

### STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the period ended December 31, 2015

	31 December 2015 (Rupees)	31 December 2014 (Rupees)
<b>Profit after tax for the period</b>	<b>122,320,553</b>	109,434,748
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<b>122,320,553</b>	109,434,748

Lahore  
April 11, 2016

Chief Executive

Director

### STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the period ended December 31, 2015

	RESERVES					Total
	Share capital	Share premium	Un-appropriated profit	Sub total	Loan from directors	
	Rupees					
<b>Balance as at 30 September 2014</b>	1,177,063,000	290,741,640	840,221,677	1,130,963,317	2,125,630,134	4,433,656,451
<b>Transactions with owners of the Company:</b>						
Repayments made during the year	-	-	-	-	(153,668,098)	(153,668,098)
<b>Total comprehensive income for the year:</b>						
Profit for the year ended 30 September 2015	-	-	591,626,697	591,626,697	-	591,626,697
Other comprehensive income for the year ended 30 September 2015 - net of tax	-	-	4,792,845	4,792,845	-	4,792,845
	-	-	596,419,542	596,419,542	-	596,419,542
<b>Balance as at 30 September 2015</b>	<b>1,177,063,000</b>	<b>290,741,640</b>	<b>1,436,641,219</b>	<b>1,727,382,859</b>	<b>1,971,962,036</b>	<b>4,876,407,895</b>
<b>Transactions with owners of the Company:</b>						
Repayment made during the period	-	-	-	-	(2,000,000)	(2,000,000)
<b>Total comprehensive income for the period:</b>						
Profit for the period ended 31 December 2015	-	-	122,320,553	122,320,553	-	122,320,553
Other comprehensive income for the period ended 31 December 2015 - net of tax	-	-	-	-	-	-
	-	-	122,320,553	122,320,553	-	122,320,553
<b>Balance as at 31 December 2015</b>	<b>1,177,063,000</b>	<b>290,741,640</b>	<b>1,558,961,772</b>	<b>1,849,703,412</b>	<b>1,969,962,036</b>	<b>4,996,728,448</b>

Lahore  
April 11, 2016

Chief Executive

Director

## TANGLIANWALA SUGAR MILLS LTD.

### CASH FLOW STATEMENT (UN-AUDITED) For the period ended December 31, 2015

	October-15 to December-15 Rupees	October-14 to December-14 Rupees
<b>Cash flow from operating activities</b>		
Profit before taxation	147,533,456	144,126,415
Adjustments for non cash and other items:		
Finance cost	167,140,176	203,596,046
Depreciation	140,526,705	109,865,796
Provision for Workers' Profit Participation Fund	7,764,919	7,516,175
	315,431,800	320,978,017
<b>Operating profit before working capital changes</b>	<b>462,965,256</b>	<b>465,104,432</b>
(Increase)/decrease in current assets:		
Stores, spares and loose tools	(97,462,301)	(44,757,902)
Stock in trade	(2,208,329,496)	(1,329,757,660)
Advances, deposits, prepayments and other receivables	(205,351,273)	(225,061,207)
Trade debtors	7,671,224	14,644,309
	(2,503,471,846)	(1,584,932,460)
(Decrease) / Increase in current liabilities:		
Trade and other payables	2,231,756,994	1,953,443,866
<b>Cash generated from operations</b>	<b>191,250,404</b>	<b>833,615,838</b>
Finance cost paid	(89,600,022)	(127,880,867)
Employee retirement benefits paid	(7,208)	-
	(89,607,230)	(127,880,867)
<b>Net cash generated (used) / from in operating activities</b>	<b>101,643,174</b>	<b>705,734,971</b>
<b>Cash flow from investing activities</b>		
Fixed capital expenditure	(25,765,434)	(1,850,050,287)
Capital work in progress	3,320,706	1,477,761,987
Lease deposits	(49,273,451)	(55,496,051)
<b>Net cash used in investing activities</b>	<b>(71,718,179)</b>	<b>(427,784,351)</b>
<b>Cash flow from financing activities</b>		
Lease liability	105,497,293	(16,280,592)
Short term borrowings	399,016,857	(779,271,992)
Long term loans	(165,521,247)	-
Advances from customers	192,034,663	349,730,606
Loans from Directors	(2,000,000)	(73,710,000)
<b>Net cash generated (used in) from financing activities</b>	<b>529,027,566</b>	<b>(519,531,978)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>558,952,561</b>	<b>(241,581,358)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>155,532,534</b>	<b>349,344,280</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>714,485,095</b>	<b>107,762,922</b>

Lahore  
April 11, 2016

Chief Executive

Director

**NOTES TO THE ACCOUNTS (UN-AUDITED)**

*For the period ended December 31, 2015*

1. These financial statements have been prepared in accordance with the requirements of International Accounting Standard-34 ( IAS-34) "Interim Financial Reporting."
2. The accounting policies adopted for the preparation of these accounts are same as those applied in the preceding year ended 30th September 2015.
3. Provision in respect of taxation and workers profit participation fund are estimated only and financial liabilities will be determined on the basis of annual results.
4. Sugar cane crushing season commences from November till 1st week of April each year.
5. **Contingencies and commitments**
  - 5.1 **Contingencies**

There are no other significant changes, other those already reported in contingencies as at September 30, 2015, which require disclosure in the condensed interim financial statements.
  - 5.2 **Commitments**

The Company has capital commitments of Rs. Nil (September 30, 2015: Rs. 32.38million) on account of import of machinery and its related components.
6. These financial statements were authorized for issue by the Board of Directors of the Company on April 11, 2016.
7. Figures in these accounts have been rounded off to the nearest rupee.

Lahore  
April 11, 2016

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Chief Executive

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Director

## TANGLIANWALA SUGAR MILLS LTD.

### COMPANY INFORMATION

<b>Board of Directors</b>	Mr. Ghazi Khan Mr. Akbar Khan Mr. Haroon Khan Mrs. Rasheeda Begum Mrs. Mobina Akbar Khan Mr. Saeed Ullah Khan Paracha Mr. Tahir Farooq Malik	<b>(Chairman)</b> <b>(Chief Executive)</b>
<b>Company Secretary and Chief Financial Officer</b>	Mr. Ahmad Jehanzeb Khan	
<b>Bankers</b>	Allied Bank Limited Bank Alfalah Limited Habib Bank Limited MCB Bank Limited National Bank of Pakistan Limited The Bank of Punjab United Bank Limited	
<b>Legal Advisors</b>	1. Bandial & Associates House # 12/A, Block 'H' Gulberg II, Lahore	2. Ali Subtain Fazli & Associates Mall Mansion 30 The Mall, Lahore
<b>Audit Committee</b>	Mr. Saeed Ullah Khan Paracha Mr. Akbar Khan Mr. Ghazi Khan Mr. Khalid Siddique	<b>(Chairman)</b> <b>(Member)</b> <b>(Member)</b> <b>(Secretary)</b>
<b>Auditors</b>	KPMG Taseer Hadi & Co. Chartered Accountants	
<b>Share Registrar</b>	Corplink (Private) Limited 1-K, Model Town, Lahore	
<b>Sugar Mills:</b>		
<i>Unit 1</i>	Kanjwani, Tehsil Tandlianwala, District, Faisalabad	
<i>Unit 2</i>	Taunsa Road, Indus Highway, Dera Ismail Khan	
<i>Unit 3</i>	Shah Jamal Road, Muzaffargarh	
<b>Distillery:</b>		
<i>Unit 1</i>	Kanjwani, Tehsil Tandlianwala, District, Faisalabad	
<i>Unit 2</i>	Shah Jamal Road, Muzaffargarh	
<b>Top Gas:</b>	Kanjwani, Tehsil Tandlianwala, District, Faisalabad	
<b>Registered Office:</b>	32-N, Gulberg-II, Lahore	

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BOOK POST

*If undelivered please return to:*  
**Tandlianwala Sugar Mills Ltd.**  
32-N, Gulberg II, Lahore.

 by: Arif Sons