



TANDLIANWALA
Sugar Mills Limited

Half Yearly
REPORT
March 31, 2024

 www.tsmlgroup.com

TANDLIANWALA SUGAR MILLS LTD.

Directors' Review Report

"In the name of ALLAH, the most gracious and most merciful"

Dear Shareholders,

The Board of Directors are pleased to present the condensed financial statements of the company, as reviewed by the auditors for the half year ended March 31, 2024.

The provincial governments of Punjab and KPK, this season notified sugarcane support price as Rs 400 per 40 Kg. Both provincial governments, as per previous years' practice, took no measures to ensure the supply at the notified price and the mills, unwillingly bought sugarcane at massively high prices.

This season, we successfully transferred sugarcane juice directly to distilleries, during part of the season, for high productivity of Ethanol.

During these six months period under review, the Company has earned profit before taxation, amounting to Rs.1.668 billion, as compared to profit before taxation of Rs 1.545 billion in the same period of last year.

This profit earning spree is highly unlikely to continue since the government has not allowed export of sugar while the international ethanol market also do not look very lucrative, during the remaining part of the year.

The sugar sector this season has accumulatively achieved surplus production of around 1.5 million metric tons in the country, which can easily earn approximately US \$ 1.2 billion in foreign exchange.

The Mills are currently selling sugar at less than their cost of production, leading to a huge financial crisis for the majority of the Mills. As such, we are asking the federal government to take a prudent view and allow the export of additional sugar without any subsidies or financial support and also help earn huge foreign exchange, for its starved foreign reserves.

The government of Pakistan, however, seems unmoved and reluctant to take advantage of this opportunity so far.

We are hopeful that our ethanol division will be in operations for the maximum part of this year, which definitely will also bring good results by the year end.

On behalf of Board of
Directors

Akbar Khan
(Chief Executive Officer)
May 29, 2024

ڈائریکٹر کی جائزہ رپورٹ

"اللہ کے نام سے جو بڑا مہربان اور نہایت رحم کرنے والا ہے"

پیارے شیئر ہولڈرز،

31 مارچ 2024 کو ختم ہونے والی ششماہی کے لیے آڈیٹرز کی طرف سے جائزہ لیا گیا، بورڈ آف ڈائریکٹرز کمپنی کے مالیاتی گوشواروں کو پیش کرتے ہوئے خوش ہیں۔

پنجاب اور کے پی کے کی صوبائی حکومتوں نے اس سیزن میں گنے کی امدادی قیمت 400 روپے فی 40 کلوگرام کے طور پر مقرر کی ہے۔ دونوں صوبائی حکومتوں نے گزشتہ برسوں کے طرز عمل کے مطابق، نوٹیفائیڈ قیمت پر سپلائی کو یقینی بنانے کے لیے کوئی اقدامات نہیں کیے اور ملوں نے نہ چاہتے ہوئے بھی بہت زیادہ قیمتوں پر گنے خریدے۔

اس سیزن میں ہم نے انتھول کی اعلیٰ پیداواری صلاحیت کے لیے سیزن کے کچھ حصے کے دوران کامیابی کے ساتھ گنے کارس براہ راست ڈسٹریبیوٹرز میں منتقل کیا۔

زیر جائزہ ان چھ ماہ کی مدت کے دوران، کمپنی نے 1.668 ارب روپے کانگس سے قبل منافع کمایا ہے، جو گزشتہ سال کی اسی مدت میں 1.545 ارب روپے کانگس سے پہلے کے منافع کے مقابلے میں زیادہ ہے۔

منافع کمانے کا یہ سلسلہ جاری رہنے کا بہت زیادہ امکان نہیں ہے کیونکہ حکومت نے چینی کی برآمد کی اجازت نہیں دی ہے جبکہ بین الاقوامی انتھول مارکیٹ بھی سال کے بقیہ حصے میں زیادہ منافع بخش نظر نہیں آتی۔

شوگر سیکٹور نے اس سیزن میں مجموعی طور پر ملک میں تقریباً 1.5 ملین میٹرک ٹن کی اضافی پیداوار حاصل کی ہے جس سے باآسانی تقریباً 1.2 ارب امریکی ڈالر کا زرمبادلہ کمایا جاسکتا ہے۔

شوگر ملز اس وقت اپنی پیداواری لاگت سے کم قیمت پر چینی فروخت کر رہی ہیں جس کی وجہ سے ملوں کی اکثریت کے لیے ایک بہت بڑا مالی بحران ہے۔ اس طرح، ہم وفاقی حکومت سے مطالبہ کر رہے ہیں کہ وہ محتاط رویہ اختیار کرے اور بغیر کسی سبسڈی یا مالی مدد کے اضافی چینی کی برآمد کی اجازت دے اور اپنے تھوڑے غیر ملکی ذخائر کے لیے بھاری زرمبادلہ کمانے میں بھی مدد کرے۔

تاہم، حکومت پاکستان اب تک اس موقع سے فائدہ اٹھانے سے بے نیاز اور ہنگامہ بازی رہی ہے۔

ہمیں امید ہے کہ ہمارا انتھول ڈویژن اس سال کے زیادہ سے زیادہ حصے میں کام کرے گا، جو یقینی طور پر سال کے آخر تک اچھے نتائج لانے گا۔

بورڈ آف ڈائریکٹرز کی جانب سے

اکبر خان

(چیف ایگزیکٹو آفیسر)

29 مئی 2024

TANDLIANWALA SUGAR MILLS LTD.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Tandlianwala Sugar Mills Limited Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Tandlianwala Sugar Mills Limited** ("the Company") as at March 31, 2024 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarter ended March 31, 2023 and 2024 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended March 31, 2024.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagement 2410, "Review of interim Financial Information Performed by the Independent Auditor of the entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Mr. Malik Arsalan Ahmed.

Place: Lahore
Date: 29-05-2024
UDIN: RR2024103114oVRQWehM

UHY Hassan Naeem & Co.
Chartered Accountants

TANDLIANWALA SUGAR MILLS LTD.

Condensed Interim Statement of Financial Position (Un-audited)

As at March 31, 2024

	Note	(Un-audited) 31 March 2024 Rupees	(Audited) 30 September 2023 Rupees
EQUITY AND LIABILITIES			
Authorized capital 120,000,000 (2023: 120,000,000) ordinary shares of Rs. 10 each		1,200,000,000	1,200,000,000
<i>Share Capital and Reserves</i>			
Issued, subscribed and paid-up share capital		1,177,063,000	1,177,063,000
Share premium		290,741,640	290,741,640
Un-appropriated profit		8,617,038,714	7,495,117,955
Loan from Sponsors - <i>unsecured</i>		3,635,214,057	3,635,214,057
		13,720,057,411	12,598,136,652
<i>Non- Current Liabilities</i>			
Long term finances - <i>secured</i>	5	-	-
Lease liability - <i>secured</i>	6	389,087,977	314,238,148
Deferred liabilities			
- <i>Staff retirement benefits</i>		885,598,078	886,288,209
- <i>Deferred taxation</i>	7	-	-
		1,274,686,055	1,200,526,357
<i>Current Liabilities</i>			
Short term borrowings - <i>secured</i>	8	18,629,310,318	8,433,218,407
Current portion of non-current liabilities	9	274,839,466	761,092,236
Trade and other payables	10	15,525,892,935	6,664,033,363
Interest and mark-up accrued		851,610,898	359,291,779
Provision for taxation		546,126,242	790,976,460
		35,827,779,859	17,008,612,245
Contingencies and commitments	11		
Total Equity and Liabilities		50,822,523,325	30,807,275,254

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

TANDLIANWALA SUGAR MILLS LTD.

ASSETS	<i>Note</i>	(Un-audited) 31 March 2024 Rupees	(Audited) 30 September 2023 Rupees
<i><u>Non - Current Assets</u></i>			
Property, plant and equipment	12	14,793,222,722	14,972,450,176
Long term deposits		386,552,922	289,409,122
		15,179,775,644	15,261,859,298
<i><u>Current Assets</u></i>			
Stores, spare parts and loose tools		2,181,842,644	1,735,372,446
Stock-in-trade	13	23,954,668,708	5,131,402,809
Trade debts - <i>considered good</i>	14	18,603,681	3,843,118
Advances, deposits, prepayments and other	15	8,012,409,853	6,873,082,982
Tax refunds due from Government		1,287,496,140	791,721,744
Cash and bank balances	16	187,726,655	1,009,992,857
		35,642,747,681	15,545,415,956
Total Assets		50,822,523,325	30,807,275,254

Director

TANDLIANWALA SUGAR MILLS LTD.

Condensed Interim Statement of Profit or Loss (Un-audited)

For the three month and six month periods ended March 31, 2024

	Note	Six months ended		Three months ended	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
		Rupees	Rupees	Rupees	Rupees
Sales - net	17	26,482,495,775	26,084,686,560	19,808,841,172	17,583,948,511
Cost of sales	18	(22,741,022,352)	(22,938,525,017)	(17,201,067,233)	(15,410,657,106)
Gross profit		3,741,473,423	3,146,161,543	2,607,773,939	2,173,291,405
Administrative expenses		(416,420,464)	(361,851,956)	(220,794,053)	(211,047,847)
Distribution expenses		(159,478,325)	(286,841,257)	(141,553,846)	(266,983,309)
Other income	19	61,585,585	274,414,286	13,269,486	274,079,376
		(514,313,204)	(374,278,927)	(349,078,413)	(203,951,780)
Profit from operations		3,227,160,219	2,771,882,616	2,258,695,526	1,969,339,625
Finance cost		(1,456,725,943)	(1,116,951,711)	(1,035,645,321)	(737,860,866)
Other expenses		(102,387,275)	(110,050,930)	(87,434,041)	(106,023,712)
		(1,559,113,218)	(1,227,002,641)	(1,123,079,362)	(843,884,578)
Profit before taxation		1,668,047,001	1,544,879,975	1,135,616,164	1,125,455,047
Taxation	20	(546,126,242)	(392,378,190)	(469,054,116)	(273,848,489)
Profit after taxation		1,121,920,759	1,152,501,785	666,562,048	851,606,558
Earnings per share - Basic and Diluted		9.53	9.79	5.66	7.24

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director

TANGLIANWALA SUGAR MILLS LTD.

Condensed Interim Statement of Other Comprehensive Income / (Loss) (Un-audited) For the three month and six month periods ended March 31, 2024

	Six months ended		Three months ended	
	31 March 2024 Rupees	31 March 2023 Rupees	31 March 2024 Rupees	31 March 2023 Rupees
Profit after taxation	1,121,920,759	1,152,501,785	666,562,048	851,606,558
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>1,121,920,759</u>	<u>1,152,501,785</u>	<u>666,562,048</u>	<u>851,606,558</u>

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director

TANDLIANWALA SUGAR MILLS LTD.

Condensed Interim Statement of Changes in Equity (Un-audited) For the six month period ended March 31, 2024

	Reserves		Loan from Sponsors	Total
	Capital Share premium	Revenue Un-appropriated profit		
----- Rupees -----				
Share capital				
Balance as at October 01, 2022 (Audited)	1,177,063,000	290,741,640	5,963,048,710	6,253,790,350
<i>Transactions with owners of the Company</i>				
Amount received during the period - net	-	-	-	129,156,663
Total comprehensive profit for the period	-	-	-	129,156,663
Profit for the period ended March 31, 2023	-	-	1,152,501,785	1,152,501,785
Other comprehensive income for the period ended March 31, 2023	-	-	-	-
Balance as at March 31, 2023 (Un-audited)	1,177,063,000	290,741,640	7,115,550,495	7,406,292,135
Balance as at October 01, 2023 (Audited)	1,177,063,000	290,741,640	7,495,317,955	7,785,859,595
<i>Transactions with owners of the Company</i>				
Amount received during the period - net	-	-	-	-
Total comprehensive loss for the period	-	-	-	-
Profit for the period ended March 31, 2024	-	-	1,121,920,759	1,121,920,759
Other comprehensive income for the period ended March 31, 2024	-	-	-	-
Balance as at March, 31 2024 (Unaudited)	1,177,063,000	290,741,640	8,617,038,714	8,907,780,054
			3,635,214,057	13,720,057,411

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director

TANDLIANWALA SUGAR MILLS LTD.

Condensed Interim Statement of Cash Flows (Un-audited) For the six month period ended March 31, 2024

	31 March 2024	31 March 2023
Note	Rupees	Rupees
<i>Cash flow from operating activities</i>		
Profit before taxation	1,668,047,001	1,544,879,975
<i>Adjustments:</i>		
Finance cost	1,456,725,943	1,116,951,711
Depreciation on property, plant and equipment	387,199,722	389,998,560
Provision for staff retirement benefits	-	-
Provision for worker's profit participation fund	102,387,275	80,734,209
Return on bank deposits	(52,998,849)	(5,118,260)
19	1,893,314,091	1,582,566,220
Operating profit before working capital changes	3,561,361,092	3,127,446,195
<i>(Increase) / decrease in current assets:</i>		
Stores, spares parts and loose tools	(446,470,198)	(294,501,066)
Stock-in-trade	(18,823,265,899)	(10,139,906,982)
Trade debts - <i>considered good</i>	(14,760,563)	(2,477,516)
Advances, deposits, prepayments and other receivables	(1,139,326,871)	(935,403,670)
	(20,423,823,531)	(11,372,289,234)
<i>Increase / (decrease) in current liabilities:</i>		
Trade and other payables	8,759,472,297	7,260,052,762
Cash used in operations	(8,102,990,142)	(984,790,277)
Finance cost paid	(964,406,824)	(1,042,404,064)
Staff retirement benefits paid	(690,131)	(3,939,093)
Taxes paid	(1,286,750,860)	(561,477,112)
Long term deposits - <i>net</i>	(97,143,800)	(75,775,401)
	(2,348,991,615)	(1,683,595,670)
Net cash used in operations	(10,451,981,757)	(2,668,385,947)
<i>Cash flow from investing activities</i>		
Capital expenditure - <i>net</i>	(207,972,268)	(73,175,987)
Income received from bank deposits	52,998,849	5,118,260
Net cash used in investing activities	(154,973,419)	(68,057,727)
<i>Cash flow from financing activities</i>		
Lease liabilities - <i>net</i>	(19,301,955)	38,010,584
Short term borrowings - <i>net</i>	10,196,091,915	2,588,840,999
Loan from sponsors	-	129,156,663
Long term finances	(392,100,986)	(491,921,814)
Net cash generated from financing activities	9,784,688,974	2,264,086,432
Net decrease in cash and cash equivalents	(822,266,202)	(472,357,242)
Cash and cash equivalents at the beginning of the period	910,490,702	545,275,190
Cash and cash equivalents at the end of the period	88,224,500	72,917,948
<i>Cash and cash equivalents comprise of the following:</i>		
Cash and bank balances	16 187,726,655	172,420,103
Short term borrowings - <i>Running Finance</i>	8 (99,502,155)	(99,502,155)
	88,224,500	72,917,948

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director

TANGLIANWALA SUGAR MILLS LTD.

Notes to the Condensed Interim Financial Statements (Un-audited) For the six month period ended March 31, 2024

1 Reporting entity

Tandlianwala Sugar Mills Limited ("the Company") was incorporated in Pakistan on November 01, 1988 as a Public Limited Company. The shares of the Company are quoted on Pakistan Stock Exchange. The principal activity of the Company is production and sale of white crystalline sugar, ethanol and other related allied by-products.

The geographical locations and addresses of the Company's business units, including production facilities are as under :

- Head office and registered office : 66-L, Gulberg-II, Lahore
- Unit-I : Kanjwani, Tehsil Tandlianwala, District Faisalabad
- Unit-II : Zamand, Miran, Indus Highway, District Dera Ismail Khan
- Unit-III : Rehman Hajra, Shah Jamal Road, District Muzaffargarh

2 Basis of preparation

2.1 Statement of compliance

These condensed interim financial statements comprise of the condensed interim statement of financial position of the Company as at 31 March 2024 and the related condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows and together with the notes forming part thereof for the half year ended 31 March 2024.

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The disclosures made in these condensed interim financial statements of the Company have, however, been limited based on the requirements of the International Accounting Standard 34 - Interim Financial Reporting. Thus, these do not include the statements reported for full annual financial statements and should therefore be read in conjunction with the financial statements for the year ended September 30, 2023. These condensed interim financial statements are unaudited, however, have been subjected to limited scope review by the external auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2017 and section 237 of the Companies Act, 2017.

The comparative statement of financial position presented in these condensed interim financial statements has been extracted from the audited financial statements of the Company for the year ended September 30, 2023, whereas the comparative condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the half year ended March 31, 2023.

TANDLIANWALA SUGAR MILLS LTD.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention unless stated otherwise

2.3 Use of estimates and judgments

The preparation of the condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by the management in applying accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of annual financial statements for the year ended September 30, 2023.

2.4 Functional and presentation currency

These condensed interim financial statements are presented in Pak Rupees which is the functional and presentation currency of the Company.

3 Accounting policies

3.1 The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended September 30, 2023, except for those disclosed in note 3.1.1.

3.1.1 Change in Significant Accounting Policies

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after October 01, 2023, but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

4 Seasonality of operations

Due to seasonal nature of sugar segment, operating results are expected to fluctuate in the second half of the year. The sugarcane crushing season starts from November and lasts till March each year. Therefore, majority of the expenses are incurred and production activities are undertaken in first half of the Company's financial year which leads to an increased volume of inventories and current liabilities at the end of the six months.

5 Long term finances - <i>secured</i>	Note	(Un-audited)	(Audited)
		31-Mar-24	30-Sep-23
		Rupees	Rupees
Balance at beginning of the period / year		571,654,543	1,460,099,738
Loans received during the period / year		-	-
Repayments during the period / year		(392,100,986)	(888,445,195)
		<u>179,553,557</u>	<u>571,654,543</u>
Current portion presented under current liabilities	9	(179,553,557)	(571,654,543)
		<u>-</u>	<u>-</u>

TANDLIANWALA SUGAR MILLS LTD.

5.1 Type of loans	(Un-audited)	(Audited)
	31-Mar-24	30-Sep-23
Interest / mark-up based loans	179,553,557	567,232,131
Islamic mode of financing	-	4,422,412
	<u>179,553,557</u>	<u>571,654,543</u>

5.2 Long term finances are secured against ranking / joint pari passu charge on land, all present and future fixed assets of the Company and personal guarantees of sponsors / directors of the Company.

6 Lease liability - secured	Note	(Un-audited)	(Audited)
		31-Mar-24	30-Sep-23
		Rupees	Rupees
Present value of minimum lease payments		484,373,886	503,675,841
Less: Current portion of lease liabilities	9	<u>(95,285,909)</u>	<u>(189,437,693)</u>
		<u>389,087,977</u>	<u>314,238,148</u>

7 Deferred taxation

As at March 31, 2024 deferred tax asset on unused capital allowances has not been recognized in these financial statements as sufficient taxable profits are not expected to be probable against which the Company can use benefits therefrom. Management is of the view that recognition of deferred tax asset shall be re-assessed on September 30, 2024.

8 Short term borrowings - secured	Note	(Un-audited)	(Audited)
		31-Mar-24	30-Sep-23
<i>Type of short term borrowings:</i>			
Interest / mark-up based loans	8.1	18,629,310,318	8,433,218,407
		<u>18,629,310,318</u>	<u>8,433,218,407</u>

8.1 This includes running finance of Rs. 99.50 million (September 30, 2023: Rs. 99.50 million).

TANDLIANWALA SUGAR MILLS LTD.

9 Current portion of non-current liabilities	Note	(Un-audited)	(Audited)
		31-Mar-24	30-Sep-23
		Rupees	Rupees
Long term finances - <i>secured</i>	5	179,553,557	571,654,543
Lease liability - secured	6	95,285,909	189,437,693
		<u>274,839,466</u>	<u>761,092,236</u>

10 Trade and other payables

This mainly includes advances from customers amounting to Rs.4,983 million (September 30, 2023: Rs. 3,731 million) and other liabilities amounting to Rs. 2,458 million (September 30, 2023: Rs. 952.6 million).

11 Contingencies and commitments

11.1 Contingencies

- (i) There is no material change in contingencies from the audited financial statements of the Company for the year ended September 30, 2023 except for as stated below and disclosed as commitments and guarantees.

11.2 Commitments

- (i) The Company has given a bank guarantee with 100% cash margin of Rs. 2 million (September 30, 2023: Rs. 2 million) to the Excise and Taxation Department for the export of ethanol.

TANDLIANWALA SUGAR MILLS LTD.

12 Property, plant and equipment	Note	(Un-audited)	(Audited)
		31-Mar-24	30-Sep-23
		Rupees	Rupees
Operating fixed assets	12.1	14,734,715,718	14,916,954,630
Capital work-in-progress	12.2	58,507,004	55,495,546
		<u>14,793,222,722</u>	<u>14,972,450,176</u>
12.1 Operating fixed assets - at net book value			
Net book value at beginning of the period/year		14,916,954,630	15,330,108,053
Additions during the period / year		204,960,810	724,733,399
Disposals during the period / year - net book value		-	(347,786,937)
Depreciation charged during the period / year		(387,199,722)	(790,099,885)
Net book value at end of period / year		<u>14,734,715,718</u>	<u>14,916,954,630</u>
12.2 Capital work-in-progress			
Opening balance		55,495,546	55,495,546
Addition during the period/year		3,011,458	-
Transfer made during the period/year		-	-
Closing balance		<u>58,507,004</u>	<u>55,495,546</u>
13 Stock-in-trade			
		(Un-audited)	(Audited)
		31-Mar-24	30-Sep-23
		Rupees	Rupees
Raw materials		6,321,631,960	1,940,460,778
Finished goods		17,633,036,748	3,190,942,031
		<u>23,954,668,708</u>	<u>5,131,402,809</u>
14 Trade debts - considered good			
<p>This includes amount due from Naubahar Bottling Company (Private) Limited and Shamim & Co. against the sale of Top Gas amounting to Rs. 6.5 million (September 30, 2023: Rs. 1.65 million) & Rs. 4.9 million (September 30, 2023: Rs. 2.8 million) respectively in the normal course of business and is over due by less than 180 days.</p>			
15 Advances, deposits, prepayments and other receivables			
<p>This mainly includes advances given to suppliers and contractors of Rs. 5,580 million (September 30, 2023: Rs. 3,612 million), advance to sugar cane growers of Rs. 1,005 million (September 30, 2023: Rs. 1,873 million).</p>			

TANDLIANWALA SUGAR MILLS LTD.

16 Cash and bank balances	Note	(Un-audited)	(Audited)
		31-Mar-24	30-Sep-23
		Rupees	Rupees
Cash at Bank			
- Current Accounts		169,937,603	108,136,947
- Saving Accounts	16.1	15,739,266	899,371,548
		185,676,869	1,007,508,495
Cash in hand		2,049,786	2,484,362
		<u>187,726,655</u>	<u>1,009,992,857</u>

16.1 The balances in the saving accounts carry mark-up ranging from 20% to 21% per annum (September 30, 2023: 18% to 22.5%).

17 Sales - net	(Un-audited)		(Un-audited)	
	Six months ended		Three months ended	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
	Rupees	Rupees	Rupees	Rupees
<i>Local:</i>				
Sugar	23,544,334,210	22,596,149,018	18,804,122,455	14,833,485,182
Ethanol	134,113,337	121,806,490	89,628,817	64,930,230
Top Gas & others	327,359,369	283,953,924	234,704,593	241,093,091
	24,005,806,916	23,001,909,432	19,128,455,865	15,139,508,503
<i>Export:</i>				
Sugar	-	1,545,033,290	-	1,545,033,290
Ethanol	6,140,031,905	4,951,068,073	3,600,609,285	3,154,794,213
	6,140,031,905	6,496,101,363	3,600,609,285	4,699,827,503
<i>Less:</i>	30,145,838,821	29,498,010,795	22,729,065,150	19,839,336,006
Sales tax	(3,663,343,046)	(3,413,324,235)	(2,920,223,978)	(2,255,387,495)
	<u>26,482,495,775</u>	<u>26,084,686,560</u>	<u>19,808,841,172</u>	<u>17,583,948,511</u>

TANDLIANWALA SUGAR MILLS LTD.

18 Cost of sales	(Un-audited)		(Un-audited)	
	Six months ended		Three months ended	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
	Rupees	Rupees	Rupees	Rupees
Raw material purchased	39,611,762,146	30,718,372,490	24,199,225,315	21,035,526,785
Direct wages	558,792,795	478,125,482	316,725,538	320,704,468
Factory overheads	1,393,733,310	1,881,934,027	556,554,628	1,291,965,789
Cost of goods manufactured	41,564,288,251	33,078,431,999	25,072,505,481	22,648,197,042
Stock in trade				
- at the beginning of the period	5,131,402,809	7,959,386,723	16,083,230,460	10,861,753,769
- at the end of the period	(23,954,668,708)	(18,099,293,705)	(23,954,668,708)	(18,099,293,705)
Cost of goods sold	22,741,022,352	22,938,525,017	17,201,067,233	15,410,657,106
19 Other income	(Un-audited)		(Un-audited)	
	Six months ended		Three months ended	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
	Rupees	Rupees	Rupees	Rupees
<i>Income from financial assets</i>				
Profit on saving accounts under interest	52,998,849	5,118,260	4,730,812	4,817,566
<i>Income from non-financial assets</i>				
Foreign exchange gain	8,495,489	269,239,270	8,495,489	269,239,270
Miscellaneous income	91,247	56,756	43,185	-
	8,586,736	269,296,026	8,538,674	269,239,270
	61,585,585	274,414,286	13,269,486	274,056,836
20 Taxation			(Un-audited)	(Un-audited)
			31-Mar-24	31-Mar-23
			Rupees	Rupees
Income tax				
- Current	20.1		546,126,242	392,378,190
Deferred tax			-	-
			546,126,242	392,378,190

20.1 The provision for taxation for the half year ended March 31, 2024 has been made on an estimated basis.

20.2 There is no material change in status of tax cases from audited financial statements of the Company for the period ended March 31, 2024.

21 Transactions and balances with related parties

The related parties comprise Associated Companies, Directors of the Company, key management personnel and other related parties. The Company in the normal course of business carries out transaction, with various related parties. Amount due from and to related parties are shown under respective notes to this condensed interim financial statements. Other significant transactions and balances with related parties except those disclosed elsewhere are as follows:

Relationship	Nature of transactions	Balance as at		For the period	
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
		31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
		Rupees	Rupees	Rupees	Rupees
<i>Associated Company</i>					
Lotte Akhtar Beverages (Private) Limited	Sale of Top Gas	4,781,072	8,294,389	14,662,130	22,134,031

TANGLIANWALA SUGAR MILLS LTD.

22 Business segments information

22.1 Segment results	Sugar		Distillery		Top Gas		Total	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Reportable segment revenue	20,183,911,999	20,756,432,178	6,256,573,713	5,054,342,939	42,010,063	273,911,443	26,482,495,775	26,084,686,560
Cost of sales	(23,442,792,786)	(28,338,748,023)	712,663,277	5,413,899,504	(10,892,843)	(13,675,898)	(22,741,022,352)	(22,938,525,017)
Inter-segment	6,411,411,840	9,973,396,175	(6,373,754,575)	(9,955,354,511)	(37,657,265)	(18,041,664)	-	-
Segment gross (loss)/profit	3,152,531,053	2,391,079,730	595,482,415	512,887,932	(6,540,045)	242,193,881	3,741,473,423	3,146,161,543
Administrative expenses	(351,037,771)	(306,249,686)	(64,867,297)	(54,989,166)	(715,396)	(613,104)	(416,420,464)	(361,851,956)
Distribution expenses	(59,029,816)	(59,506,588)	(94,144,370)	(215,598,777)	(6,304,139)	(11,735,892)	(159,478,325)	(286,841,257)
Other income	61,585,585	5,175,016	-	269,239,270	-	-	61,585,585	274,414,286
Finance cost	(741,856,941)	(757,494,828)	(714,869,002)	(379,456,883)	-	-	(1,456,725,943)	(1,116,951,711)
22.2 Reconciliation of reportable segments profit or loss								
Operating profit of all segments							1,770,434,276	1,654,930,905
Unallocated corporate expenses							(102,387,275)	(110,050,930)
Profit before tax							1,668,047,001	1,544,879,975
Taxation							(546,126,242)	(392,378,190)
Profit after tax							1,121,920,759	1,152,501,785
22.3 Segments assets and liabilities								
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	31-Mar-24	30-Sep-23	31-Mar-24	30-Sep-23	31-Mar-24	30-Sep-23	31-Mar-24	30-Sep-23
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Segment assets	30,710,021,334	18,615,606,200	18,166,810,401	11,012,242,051	1,945,691,590	1,179,427,003	50,822,523,325	30,807,275,254
Segment liabilities	23,676,057,250	11,619,729,239	13,276,391,027	6,515,783,746	150,017,637	73,625,617	37,102,465,914	18,209,138,602

TANDLIANWALA SUGAR MILLS LTD.

23 Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted price is readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and that price represents actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

	Carrying amount			
	Fair Value Through Profit or Loss	Fair Value Through OCI	At amortized cost	Total
----- Rupees -----				
As at March 31, 2024 (Un-Audited)				
<i>Financial assets - not measured at fair value</i>				
Long term deposits	-	-	386,552,922	386,552,922
Trade debts - considered good	-	-	18,603,681	18,603,681
Advances, deposits, prepayments and other receivables	-	-	8,012,409,853	8,012,409,853
Cash and bank balances	-	-	187,726,655	187,726,655
	-	-	<u>8,605,293,111</u>	<u>8,605,293,111</u>
<i>Financial liabilities - not measured at fair value</i>				
Long term finances - secured	-	-	179,553,557	179,553,557
Lease liability - secured	-	-	484,373,886	484,373,886
Short term borrowings - secured	-	-	18,629,310,318	18,629,310,318
Trade and other payables	-	-	5,696,957,130	5,696,957,130
Interest and markup accrued	-	-	851,610,898	851,610,898
	-	-	<u>25,841,805,789</u>	<u>25,841,805,789</u>
----- Rupees -----				
As at September 30, 2023 (Audited)				
<i>Financial assets - not measured at fair value</i>				
Long term deposits	-	-	31,375,863	31,375,863
Trade debts - considered good	-	-	3,843,118	3,843,118
Advances, deposits, prepayments and other receivables	-	-	1,046,986,167	1,046,986,167
Cash and bank balances	-	-	1,009,992,857	1,009,992,857
	-	-	<u>2,092,198,005</u>	<u>2,092,198,005</u>
<i>Financial liabilities - not measured at fair value</i>				
Long term finances - secured	-	-	571,654,543	571,654,543
Lease liability - secured	-	-	503,675,841	503,675,841
Short term borrowings - secured	-	-	8,433,218,407	8,433,218,407
Trade and other payables	-	-	2,279,573,413	2,279,573,413
Interest and markup accrued	-	-	359,291,779	359,291,779
	-	-	<u>12,147,413,983</u>	<u>12,147,413,983</u>

TANDLIANWALA SUGAR MILLS LTD.

23.1 Fair value versus carrying amounts

The Company has not disclosed the fair values of these financial assets and liabilities as these are for short term or repriced over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

24 Financial risk management

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements of the Company for the year ended September 30, 2023.

25 Date of authorization

These unaudited condensed interim financial statements have been authorized for issue on May 29, 2024 by the Board of Directors of the Company

26 General

Figures in this condensed interim financial statements have been rounded off to the nearest of Rupee.

27 Events after the statement of Financial Position date

There are no material subsequent events occurred after the statement of financial position date.

Chief Financial Officer

Chief Executive Officer

Director

TANDLIANWALA SUGAR MILLS LTD.

COMPANY INFORMATION

Board of Directors	Mr. Ghazi Khan Mr. Akbar Khan Mr. Humayun Akhtar Khan Mr. Haroon Khan Mrs. Rasheeda Begum Mrs. Mobina Akbar Khan Mr. Tahir Farooq Malik	(Chairman) (Chief Executive)
Company Secretary and Chief Financial Officer	Mr. Ahmad Jehanzeb Khan	
Bankers	<u>Conventional</u> National Bank of Pakistan Limited MCB Bank Limited United Bank Limited Allied Bank Limited Habib Bank Limited The Bank of Punjab Soneri Bank Limited Sindh Bank Limited Faysal Bank Limited	<u>Conventional</u> Meezan Bank Limited Askari Bank Limited Samba Bank Limited The Bank of Khyber Pair Investment Company Ltd. Pak Oman Investment Co Ltd. Pak Libya Holding Co (Pvt) Ltd. Pak Brunei Investment Co. Ltd. <u>Islamic</u> Dubai Islamic Bank Al Baraka Bank (Pakistan) Ltd.
Legal Advisors	1. Bandial & Associates 35-A, Luqman Street, Zahoor Afridi Road, Lahore Cantt.	2. Ali Sibtain Fazli & Associates The Mall Mansion 30 The Mall, Lahore
Audit Committee	Mr. Humayun Akhtar Khan Mr. Tahir Farooq Malik Mr. Ghazi Khan Mr. Khalid Siddique	(Chairman) (Member) (Member) (Secretary)
Auditors	UHY Hassan Naeem & Co. Chartered Accountants	
Share Registrar	Corplink (Private) Limited 1-K, Commercial, Model Town, Lahore	
<u>Sugar Mills:</u>		
Unit 1	Kanjwani, Tehsil Tandlianwala, District, Faisalabad	
Unit 2	Taunsa Road, Indus Highway, District, Dera Ismail Khan	
Unit 3	Shah Jamal Road, District Muzaffargarh	
<u>Distillery:</u>		
Unit 1	Kanjwani, Tehsil Tandlianwala, District, Faisalabad	
Unit 2	Shah Jamal Road, District, Muzaffargarh	
<u>Top Gas:</u>	Kanjwani, Tehsil Tandlianwala, District, Faisalabad	
Registered & Corporate Office	66-L, Gulberg-II, Lahore-54660, Pakistan Phones : 042-35712901, 35763115, 35754701, 35761124 Email : tsmlho@tsmlgroup.com Website: tsmlgroup.com	

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