

**QUARTERLY
REPORT
2022**



31 December

Tandlianwala
Sugar Mills Limited

TANGLIANWALA SUGAR MILLS LTD.

DIRECTORS' REVIEW

In the name of Allah, The Most Gracious and The Most Merciful

Dear Shareholders,

The directors of your company are pleased to issue their review report on the unaudited condensed interim financial statements of the company for the first quarter ended 31 December 2022.

The sugarcane crushing of 2022-23 season started effective last week of November 2022 with new challenge of the highest ever sugarcane support price fixed by the provincial governments.

The financial, production & operational results of the company cannot be gauged at this initial stage, however the permission, though belated for export of sugar was granted by the federal government as well as the historical devaluation of PKR against USD may increase the profitability of both our ethanol & sugar divisions, during the remaining three quarters of the financial year.

The support price fixed for the current season by the governments of Punjab & KPK is Rs 300 per 40 kg. The cane war, as always, amongst the sugar millers, has already started.

We would again be looking forward to our ethanol division to deliver the best of the financial results, owing to much better than last year ethanol prices, coupled with continued depreciation of the PKR.

In the first quarter under review, your company was able to earn a reasonable profit before taxation to the tune of Rs 419 Million.

The management of the company is always on the look for best possible measures to run its procedures efficiently and effectively in order to maintain the quality of all our products & to achieve desired production levels.

The board would like to appreciate its staff and members of the management team for their hard work and contributing in producing best possible results.

On behalf of Board of Directors.

Akbar Khan
(Chief Executive Officer)
January 30, 2023

اللہ کے نام سے جو بڑا مہربان اور نہایت رحم کرنے والا ہے
پیارے شیئر ہولڈرز،

آپ کی کمپنی کے ڈائریکٹرز 31 دسمبر 2022 کو ختم ہونے والی پہلی سہ ماہی کے لئے کمپنی کے غیر آڈٹ شدہ کنڈینسڈ عبوری مالیاتی بیانات پر اپنی جائزہ رپورٹ جاری کرتے ہوئے خوش ہیں۔

2022-23 کے سیزن کی گئے کی کرشنگ نومبر 2022 کے آخری ہفتے سے شروع ہوئی جس میں صوبائی حکومتوں کی جانب سے گئے کی اب تک کی بلند ترین امدادی قیمت مقرر کی گئی ہے۔

اس ابتدائی مرحلے میں کمپنی کے مالی، پیداواری اور آپریشنل نتائج کا اندازہ نہیں لگایا جاسکتا، تاہم وفاقی حکومت کی جانب سے چینی کی برآمد میں تاخیر کے ساتھ ساتھ پاکستانی روپے کی قدر کی امریکی ڈالر کے مقابلے میں تاریخی کمی مالی سال کی بقیہ تین سہ ماہیوں کے دوران ہماری "تھنول اور شوگر ڈویژن دونوں کے منافع میں اضافہ کر سکتی ہے۔

پنجاب اور کے پی کے کی حکومتوں کی جانب سے موجودہ سیزن کے لئے مقرر کردہ امدادی قیمت 300 روپے فی 40 کلوگرام ہے۔ گئے کی جنگ ہمیشہ کی طرح شوگر ملرز کے درمیان شروع ہو چکی ہے۔

پاکستانی روپے کی مسلسل گراوٹ اور پچھلے سال "تھنول کی قیمتوں کے مقابلے میں اس سال بہت بہتر قیمتیں ہونے کی وجہ سے، ہم ایک بار پھر اپنے "تھنول ڈویژن کے بہترین مالی نتائج فراہم کرنے کے منتظر ہوں گے۔

زیر نظر پہلی سہ ماہی میں آپ کی کمپنی ٹیکس سے پہلے 419 ملین روپے کا معقول منافع کمانے میں کامیاب رہی۔

کمپنی کی انتظامیہ ہمیشہ اپنی تمام مصنوعات کے معیار کو برقرار رکھنے اور مطلوبہ پیداواری سطح کو حاصل کرنے کے لئے اپنے طریقہ کار کو موثر اور موثر طریقے سے چلانے کے لئے بہترین ممکنہ اقدامات کی تلاش میں رہتی ہے۔

بورڈ اپنے عملے اور انتظامی ٹیم کے ارکان کو ان کی محنت اور بہترین ممکنہ نتائج حاصل کرنے میں تعاون کرنے پر سراہتا ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے۔

اکبر خان
(چیف ایگزیکٹو آفیسر)
30 جنوری 2023

TANGLIANWALA SUGAR MILLS LTD.

**CONDENSED INTERIM STATEMENT OF
FINANCIAL POSITION (UN-AUDITED)**

EQUITY AND LIABILITIES	(Un-Audited) 31 December 2022 Rupees	(Audited) 30 September 2022 Rupees
SHARE CAPITAL AND RESERVES		
Authorised share capital 120,000,000 (September 2022: 120,000,000) ordinary shares of Rs. 10 each	<u>1,200,000,000</u>	<u>1,200,000,000</u>
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 profits	6,263,944,568	5,963,048,710
Loan from sponsors - <i>unsecured</i>	3,635,214,057	3,635,214,057
TOTAL EQUITY	11,366,963,265	11,066,067,407
LIABILITIES		
NON-CURRENT LIABILITIES		
Long term finances - <i>secured</i>	204,123,042	393,529,554
Liabilities against assets subject to finance lease - <i>secured</i>	2,412,260	2,412,260
Deferred liabilities - <i>Staff retirement benefits</i>	774,908,828	776,438,046
	981,444,130	1,172,379,860
CURRENT LIABILITIES		
Short term borrowings - <i>secured</i>	6,716,114,596	9,997,040,574
Current portion of non-current liabilities	1,503,643,752	1,307,230,534
Trade and other payables	8,766,532,549	7,457,575,121
Interest and mark-up accrued	437,170,154	431,127,753
Provision for taxation	118,529,701	467,065,454
	17,541,990,752	19,660,039,436
CONTINGENCIES AND COMMITMENTS	-	-
TOTAL EQUITY AND LIABILITIES	<u>29,890,398,147</u>	<u>31,898,486,703</u>

The annexed notes from 1-7 form an integral part of these condensed interim financial statements.

Lahore
January 30, 2023

Chief Financial Officer

Chief Executive Officer

TANGLIANWALA SUGAR MILLS LTD.

AS AT DECEMBER 31, 2022

ASSETS	(Un-Audited) 31 December 2022 Rupees	(Audited) 30 September 2022 Rupees
NON-CURRENT ASSETS		
Property, plant and equipment	15,024,962,603	15,385,603,599
Long term deposits	194,930,271	154,606,251
	15,219,892,874	15,540,209,850
CURRENT ASSETS		
Stores, spare parts and loose tools	1,336,281,969	1,282,815,096
Stock-in-trade	8,148,659,443	7,959,386,722
Trade debts - considered good	9,872,884	18,486,272
Advances, deposits, prepayments and other receivables	4,379,537,403	5,798,251,593
Tax refunds due from Government - net	696,210,533	654,559,825
Cash and bank balances	99,943,041	644,777,345
	14,670,505,273	16,358,276,853
TOTAL ASSETS	<u>29,890,398,147</u>	<u>31,898,486,703</u>

Director

TANGLIANWALA SUGAR MILLS LTD.**CONDENSED INTERIM STATEMENT OF
PROFIT OR LOSS (UN-AUDITED)***For the quarter ended December 31, 2022*

	31 December 2022 Rupees	31 December 2021 Rupees
Sales - net	8,500,738,049	7,003,919,259
Cost of sales	<u>(7,527,867,911)</u>	<u>(6,277,270,549)</u>
Gross profit	972,870,138	726,648,710
Administrative expenses	(150,804,109)	(134,180,869)
Distribution expenses	(19,857,948)	(17,642,913)
Other income	<u>335,541</u>	<u>2,168,988</u>
Profit from operations	802,543,622	576,993,916
Finance cost	(379,090,845)	(250,434,132)
Other expenses	<u>(4,027,218)</u>	<u>(19,232,061)</u>
Profit before taxation	419,425,559	307,327,723
Taxation	(118,529,701)	(98,980,736)
Profit after taxation	<u>300,895,858</u>	<u>208,346,987</u>
Earning per share - basic and diluted	2.56	1.77

The annexed notes from 1-7 form an integral part of these condensed interim financial statements.

Lahore

January 30, 2023

Chief Financial Officer_____
Chief Executive Officer_____
Director

TANDLIANWALA SUGAR MILLS LTD.

CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME / (LOSS) (UN-AUDITED)

For the quarter ended December 31, 2022

	31 December 2022 Rupees	31 December 2021 Rupees
Profit after taxation for the quarter	300,895,858	208,346,987
Other comprehensive income for the quarter	-	-
Total comprehensive income for the quarter	300,895,858	208,346,987

The annexed notes from 1-7 form an integral part of these condensed interim financial statements.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the quarter ended December 31, 2022

	Reserves				Loan from Sponsors	Total
	Share capital	Capital		Revenue		
		Share premium	Un-appropriated profits			
-----Rupees-----						
All Units						
Balance as at October 01, 2021	1,177,063,000	290,741,640	5,458,558,557	5,749,300,197	3,635,214,057	10,561,577,254
Total comprehensive income for the quarter :						
Profit for the quarter ended December 31, 2021	-	-	208,346,987	208,346,987	-	208,346,987
	-	-	208,346,987	208,346,987	-	208,346,987
Balance as at December 31, 2021	1,177,063,000	290,741,640	5,666,905,544	5,957,647,184	3,635,214,057	10,769,924,241
Balance as at October 01, 2022	1,177,063,000	290,741,640	5,963,048,710	6,253,790,350	3,635,214,057	11,066,067,407
Total comprehensive income for the quarter :						
Profit for the quarter ended December 31, 2022	-	-	300,895,858	300,895,858	-	300,895,858
	-	-	300,895,858	300,895,858	-	300,895,858
Balance as at December 31, 2022	1,177,063,000	290,741,640	6,263,944,568	6,554,686,207	3,635,214,057	11,366,963,265

The annexed notes from 1-7 form an integral part of these condensed interim financial statements.

Lahore
January 30, 2023

Chief Financial Officer

Chief Executive Officer

Director

TANGLIANWALA SUGAR MILLS LTD.

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

For the quarter ended December 31, 2022

	October -22 to December-22	October -21 to December-21
	Rupees	Rupees
<u>Cash flows from operating activities</u>		
Profit before taxation	419,425,559	307,327,723
<i>Adjustments for non-cash and other items:</i>		
Depreciation on property, plant and equipment	194,721,328	214,448,040
(Gain) / loss on disposal of property, plant and equipment	-	17,698
Finance cost	379,090,845	250,434,132
Return on bank deposits	(300,694)	(528,051)
Worker's Profit Participation Fund	-	16,175,143
	573,511,479	480,546,962
Operating profit before working capital changes	992,937,038	787,874,685
<i>(Increase) / decrease in current assets:</i>		
Stores, spare parts and loose tools	(53,466,873)	(126,444,683)
Stock-in-trade	(189,272,721)	661,138,183
Advances, deposits, prepayments and other receivables	1,418,714,191	(1,061,682,596)
Trade debts - <i>considered good</i>	8,613,388	5,009,503
	1,184,587,985	(521,979,593)
<i>Increase / (decrease) in current liabilities:</i>		
Trade and other payables	1,308,957,429	1,618,326,511
Cash generated from operations	3,486,482,452	1,884,221,603
Finance cost paid	(373,048,445)	(164,703,151)
Staff retirement benefits paid	(1,529,218)	(980,031)
Taxes paid	(314,614,410)	(334,601,481)
Worker's Profit Participation Fund paid	-	-
	(689,192,073)	(500,284,663)
Net cash generated from operating activities	2,797,290,379	1,383,936,940
<u>Cash flows from investing activities</u>		
Capital expenditure	(28,182,083)	(36,895,113)
Long term deposits	(40,324,020)	(56,380,194)
Income received from bank deposits	300,694	528,051
Net cash (used in) investing activities	(68,205,409)	(92,747,256)
<u>Cash flows from financing activities</u>		
Long term finances repaid	(189,406,512)	(229,888,033)
Long term finances obtained	196,413,217	251,592,974
Finance lease liabilities - <i>net</i>	-	7,673,597
Short term borrowings - <i>net</i>	(3,280,925,978)	(1,330,158,267)
Net cash (used in) financing activities	(3,273,919,273)	(1,300,779,729)
Net increase / (decrease) in cash and cash equivalents	(544,834,303)	(9,590,045)
Cash and cash equivalents at the beginning of the period	644,777,345	101,748,479
Cash and cash equivalents at the end of the period	99,943,042	92,158,434

The annexed notes from 1-7 form an integral part of these condensed interim financial statements.

Lahore

January 30, 2023

Chief Financial Officer

Chief Executive Officer

Director

TANGLIANWALA SUGAR MILLS LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the quarter ended December 31, 2022

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 2022
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 March 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, 2022, which require disclosure in the condensed interim financial statements.

6. These financial statements were authorized for issue by the Board of Directors of the Company on January 30, 2023.
7. Figures in these accounts have been rounded off to the nearest rupee.

Lahore
January 30, 2023

Chief Financial Officer

Chief Executive Officer

Director

TANGLIANWALA SUGAR MILLS LTD.

COMPANY'S 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	Conventional 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 Samba Bank Limited The Bank of Khyber Pair Investment Co. Limited Pak Oman Investment Co. Limited Pak Libya Holding Co. (Pvt) Limited	Conventional Bank Alfalah Limited Faysal Bank Limited Meezan Bank Limited Askari Bank Limited Summit Bank Limited Islamic Dubai Islamic Bank Al-Baraka Bank (Pakistan Limited)
Legal Advisors	1. Bandial & Associates 35-A, Luqman Street, Zahoor Afridi Road, Lahore Cantt.	2. Ali Sibtain Fazli & Associates Mall Mansion 30, The Mall, Lahore.
Audit Committee	Mr. Humayun Akhtar Khan Mr. Ghazi Khan Mr. Tahir Farooq Malik Mr. Khalid Siddique	(Chairman) (Member) (Member) (Secretary)
Auditors	UHY Hassan Naeem & Co. Chartered Accountants	
Share Registrar	Corplink (Private) Limited Wings Arcade, 1-K, Commercial Model Town, Lahore.	
Sugar Mills:		
Unit 1	Kanjwani, Tehsil Tandlianwala, District Faisalabad.	
Unit 2	Taunsa Road, Indus Highway, District Dera Ismail Khan.	
Unit 3	Shah Jamal Road, District Muzaffargarh.	
Distilleries:		
Unit 1	Kanjwani, Tehsil Tandlianwala, District Faisalabad.	
Unit 2	Shah Jamal Road, District Muzaffargarh.	
Top Gas (CO₂) :	Kanjwani, Tehsil Tandlianwala, District Faisalabad.	
Registered & Corporate Office:	66-L, Gulberg-II, Lahore-54000, Pakistan. PABX: 042-35712901, 35763115, 35754701, 35761124 Fax: 042-35710929, 35710605 Email: tsmho@tsmlgroup.com Website: www.tsmlgroup.com	



 by: Arif Sons

**IF UNDELIVERED, PLEASE RETURN TO:
Tandlianwala Sugar Mills Ltd.
66-L, GULBERG II, Lahore.**