



THALINDUSTRIES

C O R P O R A T I O N



CONDENSED INTERIM FINANCIAL INFORMATION

For the Half Year Ended 31 March 2016
(Un-audited)

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Company Information

BOARD OF DIRECTORS

CHAIRMAN/CHIEF EXECUTIVE

Mr. Muhammad Shamim Khan

MANAGING DIRECTOR

Mr. Nauman Ahmed Khan

DIRECTORS

Mrs. Qaiser Shamim Khan

Mr. Adnan Ahmed Khan

Ms. Farrah Khan

Mr. Muhammad Khan

Mr. Muhammad Ashraf Khan Durani (Independent Director)

AUDIT COMMITTEE

Mr. Muhammad Ashraf Khan Durani (Chairman)

Mrs. Qaiser Shamim Khan (Member)

Mr. Adnan Ahmed Khan (Member)

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Muhammad Ashraf Khan Durani (Chairman)

Mr. Muhammad Shamim Khan (Member)

Mr. Adnan Ahmed Khan (Member)

CHIEF FINANCIAL OFFICER

Mr. Hafiz Muhammad Arif

COMPANY SECRETARY

Mr. Wasif Mahmood

AUDITORS

M/s. Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants, Lahore

LEGAL ADVISOR

Mr. Shehzad Ata Elahi, Advocate
Ch. Altaf Hussain Advocate

BANKERS

Albaraka Bank Pakistan Limited

Allied Bank Limited

Askari Bank Limited

Bank Al-Habib Limited

Bank Alfalah Limited

DubaiIslamic Bank (Pakistan) Limited

Faysal Bank Limited

Habib Bank Limited

Habib Metropolitan Bank Limited

MCB Bank Limited

Meezan Bank Limited

NIB Bank Limited

Standard Chartered Bank (Pakistan) Limited

Soneri Bank Limited

United Bank Limited

SHARE REGISTRAR

M/s. CORPLINK (Pvt) Ltd
Wings Arcade, 1-K- Commercial
Model Town, Lahore
Tel: 042-35839182, 35887262
Fax: 042-35869037

REGISTERED OFFICE

23- Pir Khurshid Colony Gulgasht, Multan
Tel: 061-6524621, 6524675
Fax: 061-6524675

LAHORE OFFICE

2-D-1 Gulberg-III, Lahore – 54600
Tel: 042-35771066-71
Fax: 042-35771175

FACTORY ADDRESSES

Unit 1: Layyah Sugar Mills, Layyah
Tel: 0606-411981-4, 410014
Fax: 0606-411284
Unit 2: Safina Sugar Mills, Lalian District Chinniot.
Tel: 047-6610011-6
Fax: 047-6610010

WEBSITE

www.thalindustries.com

Directors' Review

The Directors of your Company are pleased to present the Un-Audited Accounts of the Company for the Half Year Ended 31 March 2016 in compliance with the section 245 of the Companies Ordinance, 1984.

INDUSTRY OVERVIEW

The sugarcane crop acreage was lower as compared to the last year's acreage. The crop was badly affected due to hot weather and drought, followed by floods. About 7,000 acres were destroyed and much more acreage suffered and recovery yield per acre was badly affected. Cane crushing and sugar production in the area as well as in all over Punjab will be slightly on lower side as compared to last year crushing season. However, the sugar production is surplus over the national demand and therefore the Government has rightly made the decision to allow sugar export for price stabilization.

Despite depressed sugar prices for the last four years in local as well as international markets, the sugarcane minimum price was maintained by the Punjab & KPK Government at Rs. 180/- per mound for the crushing season 2015-16 (period under review), whereas Sind Government notified minimum cane price at Rs. 172/- per mound.

There was price competition over cane purchase price in last span of 6 to 7 weeks of the crushing season as sugar prices were showing some positive gains and still persisting at the same level.

OPERATING HIGHLIGHTS

The Company was able to crush 1,839,916 M. Tons sugarcane and produced 178,912.150 M. Tons white refined sugar at an average recovery of 9.724% during the first half of the year ending March 31, 2016 as compared to last year sugarcane crushing of 1,808,462 M. Tons and production of 175,909.500 M. Tons white refined sugar at an average recovery of 9.658%. The increased volume of cane crushing is attained due to BMR completed last year and start up & trial run of 67 bar high pressure boiler commenced at Layyah unit. The installation of the high pressure boiler helped in improving the steam percent cane and eventually the mill was able to process more cane. On the export announcement by Government of Pakistan, the sugar price in the local market has slightly stabilized and expected to remain stable in second half as well.

Net sales of sugar and molasses were recorded at Rs. 4,304.204 million during the first half of the year from October 2015 to March 2016 as compared to Rs. 4,150.907 million against the corresponding period of last year.

The Company earned pretax profit of Rs. 124.969 million during the half year as compared to Rs. 121.160 million in the corresponding period of last year and after tax profit of Rs. 120.831 million against Rs. 83.885 million over the same period in the last year. However pretax profit/(loss) during the 2nd quarter was Rs. 103.917 million against pretax profit of Rs. (28.288) million during corresponding period. The increase in profitability is mainly due to better sugar prices stabilized in the market because of export announcement by the Government.

All efforts and energies have been directed to increase the production and profitability of the company by improving process efficiency, installing modern & advanced technologies and management system. This will help reduce the production cost and boost profitability. To achieve higher sugar recovery and crop yield per acre our focus is to propagate new high potential cane varieties and provide them with balanced nutrients and improve plant production method. We are constantly facilitating our growers by providing them with interest free loan and training them to adopt best sugar cane production practices to improve yield and recovery. This will also improve grower's profitability.

FUTURE OUT LOOK

It is expected that sugar production in the country for the current crushing season 2015-16 would be slightly lower as compared to the last year. However, based on regular crushing through upgraded equipment and good relations with the farmers, your company successfully achieved the last year's production level.

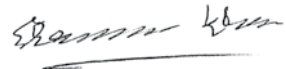
Keeping in view the lower cane crop in the current crushing season 2015-16 and brought forward sugar stock in the country, there will be slight over supply situation vis-a-vis consumption in Pakistan and as a result sugar prices will remain stable which would ultimately affect the profitability of the sugar industry positively. The outlook for the industry and your company very much hinges on the timely export of surplus stocks of sugar from the country and will help to maintain an acceptable level of sugar price in the local market. If this happens, the industry may expect positive financial outcomes from the current situation.

Your company is making their full efforts on completion of its on-going power project (which is at advance stage of completion) and will focus with its increased energies on power sale to MEPCO, which will strengthen your ability to better compete in the forthcoming tough competitive environment.

ACKNOWLEDGEMENT

The Board wishes to thank the financial institutions associated with the company for their support and appreciate the efforts of the Company's employees which they made to pull the company through this very competitive environment.

For and on behalf of the Board



MUHAMMAD SHAMIM KHAN

Chairman/Chief Executive

LAHORE: 20 May 2016

Auditors' Report to the Members on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of **The Thal Industries Corporation Limited** as at 31 March 2016 and the related condensed interim profit and loss account, condensed interim statement of other comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity together with the selected notes to the accounts for the six months period then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information 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 information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other Matters

The figures of the condensed interim profit and loss account and condensed interim statement of other comprehensive income for the quarters ended March 31, 2016 and 2015 have not been reviewed, as we are required to review only the cumulative figures for the half year ended March 31, 2016.



Rahman Sarfaraz Rahim Iqbal Rafiq

CHARTERED ACCOUNTANTS

Engagement Partner: A. Rahman Mir

Lahore: 20 May 2016

Condensed Interim Balance Sheet

As at 31 March 2016 (Un-Audited)

	Note	(Un-Audited) 31 March 2016 (Rupees)	(Audited) 30 September 2015
EQUITY & LIABILITIES			
Share Capital and Reserves			
Share capital	5	150,232,320	150,232,320
Revenue reserves		93,800,000	93,800,000
Accumulated profit		1,106,391,364	1,060,676,077
		1,350,423,684	1,304,708,397
Non Current Liabilities			
Long term finance	6	953,698,530	561,970,786
Loans from directors	7	574,800,000	574,800,000
Liabilities against assets subject to finance lease	8	9,172,271	10,366,443
Deferred liabilities		288,238,315	301,408,059
		1,825,909,116	1,448,545,288
Current Liabilities			
Trade and other payables		1,731,291,210	283,229,563
Finance cost payable		146,502,038	77,458,455
Short term borrowings-secured	9	5,604,642,445	1,508,479,052
Advances from directors		383,300,000	383,300,000
Current portion of long term liabilities		235,654,381	229,453,007
Provision for taxation		56,306,705	114,095,088
		8,157,696,779	2,596,015,165
Contingencies and Commitments			
	10		
		11,334,029,579	5,349,268,850

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive

PROPERTY AND ASSETS

Non Current Assets

Property, plant & equipment
 Long term deposits

Note	(Un-Audited) 31 March 2016	(Audited) 30 September 2015
 (Rupees)	
11	2,684,532,559 464,500	2,516,493,361 464,500
	2,684,997,059	2,516,957,861
Current Assets		
Stores, spare parts and loose tools	709,766,255	371,107,200
Stock-in-trade	6,553,404,620	1,253,863,481
Trade debts	502,699,400	302,753,242
Loans and advances	256,282,253	299,168,017
Trade deposits, prepayments and other receivables	22,713,290	100,046,316
Taxes recoverable / adjustable	464,686,554	472,496,044
Cash and bank balances	139,480,148	32,876,689
	8,649,032,520	2,832,310,989
	11,334,029,579	5,349,268,850

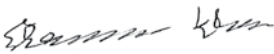

 Director

Condensed Interim Profit and Loss Account

For the Half Year Ended 31 March 2016 (Un-Audited)

Note	HALF YEAR ENDED		QUARTER ENDED	
	31 March		31 March	
	2016	2015	2016	2015
 (Rupees) (Rupees)	
Sales - Net	4,304,203,771	4,150,906,948	2,919,495,147	2,051,617,954
Cost of sales	(3,841,488,654)	(3,673,881,552)	(2,593,727,662)	(1,887,815,912)
Gross profit	462,715,117	477,025,396	325,767,485	163,802,042
Operating expenses				
Distribution and selling expenses	(48,934,663)	(49,337,678)	(30,928,086)	(27,581,322)
Administrative expenses	(152,816,351)	(120,265,509)	(89,357,656)	(63,634,692)
	(201,751,014)	(169,603,187)	(120,285,742)	(91,216,014)
Operating profit	260,964,103	307,422,209	205,481,743	72,586,028
Other income	6,936,879	45,506,034	1,548,739	39,676,706
	267,900,982	352,928,243	207,030,482	112,262,734
Finance cost	(133,680,220)	(222,797,929)	(95,413,214)	(142,592,629)
Other expenses	(9,251,647)	(8,969,825)	(7,700,427)	2,042,150
	(142,931,867)	(231,767,754)	(103,113,641)	(140,550,479)
Profit before taxation	124,969,115	121,160,489	103,916,841	(28,287,745)
Taxation	(4,137,668)	(37,275,363)	9,709,418	13,537,037
Profit after taxation	120,831,447	83,885,126	113,626,259	(14,750,708)
Earnings Per Share-Basic & Diluted	8.04	5.58	7.56	(0.98)

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive



Director

Condensed Interim Statement of Other Comprehensive Income

For the Half Year Ended 31 March 2016 (Un-Audited)

	HALF YEAR ENDED		QUARTER ENDED	
	31 March		31 March	
	2016	2015	2016	2015
 (Rupees) (Rupees)	
Profit after tax	120,831,447	83,885,126	113,626,259	(14,750,708)
<u>Other Comprehensive Income-Net of Tax</u>				
Items that will be reclassified to profit or loss:	-	-	-	-
Items that will never be reclassified to profit or loss:	-	-	-	-
Total comprehensive income for the period	120,831,447	83,885,126	113,626,259	(14,750,708)

The annexed notes form an integral part of these financial information.



Chief Executive


Director

Condensed Interim Cash Flow Statement

For the Half Year Ended 31 March 2016 (Un-Audited)

	31 March 2016	31 March 2015
 (Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	124,969,115	121,160,489
Adjustment for:		
Depreciation	117,082,402	107,427,222
Finance cost	133,680,220	222,797,929
Gain on disposal of fixed assets	(446,765)	(230,516)
Workers' Profit Participation Fund	6,711,038	6,506,516
Provision for gratuity	17,211,118	15,590,898
Workers Welfare Fund	2,540,609	2,463,309
	276,778,622	354,555,358
Operating cash flows before changes in working capital	401,747,737	475,715,847
Changes in working capital	15 (4,268,767,227)	(4,219,727,117)
	(3,867,019,490)	(3,744,011,270)
Gratuity paid	(4,903,342)	(4,051,150)
Finance cost paid	(61,604,330)	(179,689,653)
Workers' profit participation fund paid	-	299,701
Workers Welfare fund paid	(2,075,555)	(642,361)
Income tax paid	(87,403,571)	(54,607,574)
	(4,023,006,288)	(3,982,702,307)
NET CASH FLOW USED IN OPERATING ACTIVITIES		
	(4,023,006,288)	(3,982,702,307)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(280,054,898)	(117,631,647)
Proceed from disposal of fixed assets	1,057,563	697,137
NET CASH USED IN INVESTING ACTIVITIES	(278,997,335)	(116,934,510)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term finance	398,467,932	25,117,890
Advances from directors	-	268,500,000
Short term borrowings - net	4,096,163,393	3,728,965,274
Lease payments	(7,410,486)	(6,154,855)
Dividend paid	(78,613,757)	(6,012,655)
NET CASH FLOW FROM FINANCING ACTIVITIES	4,408,607,082	4,010,415,654
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	106,603,459	(89,221,163)
	32,876,689	230,908,245
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	139,480,148	141,687,082

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive



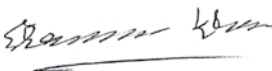
Director

Condensed Interim Statement of Changes in Equity

For the Half Year Ended 31 March 2016 (Un-Audited)

Particular	Share Capital	General Reserves	Accumulated Profit	Total
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Balance as on 01 October 2014	150,232,320	93,800,000	826,541,441	1,070,573,761
Total Comprehensive Income for the six months	-	-	83,885,126	83,885,126
Cash dividend @ 7.50 % i.e. Re. 0.75 per share for the year ended 30 September 2014	-	-	(11,267,424)	(11,267,424)
Balance as on 31 March 2015	150,232,320	93,800,000	899,159,143	1,143,191,463
Interim cash dividend @ 9.20 % i.e. Re. 0.92 per share declared during the year	-	-	(13,821,373)	(13,821,373)
Total Comprehensive Income for the six months	-	-	175,338,307	175,338,307
Balance as on 30 September 2015	150,232,320	93,800,000	1,060,676,077	1,304,708,397
Total Comprehensive Income for the six months	-	-	120,831,447	120,831,447
Cash dividend declared during the year @ 50 % i.e. Rs. 5.00/- per share for the year ended 30 September 2015	-	-	(75,116,160)	(75,116,160)
Balance as on 31 March 2016	150,232,320	93,800,000	1,106,391,364	1,350,423,684

The annexed notes form an integral part of these condensed interim financial information.



Chief Executive



Director

Selected Notes to the Condensed Interim Financial Information

For the Half Year Ended 31 March 2016 (Un-Audited)

1. STATUS AND ACTIVITIES

The Thal Industries Corporation Limited (Company) was incorporated on 07 September 1953 under The Companies Act, 1913 (Now Companies Ordinance, 1984) as public company limited by shares. Its shares are quoted on Pakistan stock exchange in Pakistan. Its registered office is situated at 23-Pir Khurshid Colony, Gulgusht, Multan. The Company is principally engaged in production and sale of refined sugar and its by-products.

2. BASIS OF PREPARATION

The condensed interim financial information is not audited and has been presented in condensed form and does not include all the information as is required to be provided in a full set of annual financial statements. This condensed interim financial information should be read in conjunction with the audited financial statements of the company for the year ended 30 September 2015.

There are certain new international financial reporting standards, amendments to published standards and interpretations that are mandatory for the accounting periods beginning on or after 01 January 2015. These are considered not to be relevant or to have any significant effect on the company's reporting and operations and are therefore not disclosed in this condensed interim financial information except for IFRS 13 "Fair Value Measurement, which the company has adopted during the period which became effective for financial periods beginning on or after 1 January 2015. The effect of IFRS 13 'Fair Value Measurement' is disclosed in note 17 to this condensed interim financial information. The company has applied the new fair value measurement guidance prospectively and has not provided any comparative information for new disclosures. Notwithstanding the above, the change had no significant impacts on the measurements of the company's financial assets and liabilities.

The comparative figures as at 30 September 2015 in the condensed interim balance sheet and the related notes to the condensed interim financial information are based on audited financial statements. The comparative condensed interim profit & loss account, condensed interim cash flow statement, condensed interim statement of changes in equity and related notes to the condensed interim financial information for the half year ended 31 March 2015 are based on un-audited/reviewed condensed interim financial information. The condensed interim profit & loss account and condensed interim statement of other comprehensive income for the quarters ended 31 March 2016 and 31 March 2015 are neither audited nor reviewed.

3. STATEMENT OF COMPLIANCE

This condensed interim financial information of the company for the six months period ended 31 March 2016 has been prepared in accordance with the requirements of the International Accounting Standard -34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

4. ACCOUNTING POLICIES

- 4.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended 30 September 2015.
- 4.2 Previous period's figures are re-arranged / re-classified where necessary to facilitate comparison and are rounded off to the nearest rupee; appropriate disclosure is given in relevant note in case of material rearrangement.

5. SHARE CAPITAL

Number of Shares

2016 2015

Authorized Capital:

20,000,000 20,000,000

Ordinary shares of Rs. 10/- each

(Un-Audited)
31 March
2016

..... (Rupees)

200,000,000

(Audited)
30 September
2015

200,000,000

Issued, subscribed and paid up capital:

8,368,846 8,368,846

Ordinary shares of Rs. 10/-
each fully paid in cash

83,688,460

83,688,460

142,770 142,770

Ordinary shares of Rs. 10/- each
issued as fully paid for consideration
otherwise than cash

1,427,700

1,427,700

6,511,616 6,511,616

Ordinary shares of Rs. 10/-
each issued as bonus shares

65,116,160

65,116,160

15,023,232 15,023,232

150,232,320

150,232,320

6. LONG TERM FINANCE

Loans from banking companies-secured

6.1

953,698,530

561,970,786

6.1 Demand finance / Diminishing musharaka facilities of Rs. 1,300 million (2015: Rs. 1,000 million) and term finance facilities of Rs. 700 million (2015: 700 million) have been obtained from various banking companies. These loans are secured against first pari passu / hypothecation charge of Rs. 2,269 million over all present and future fixed assets of the company, subordination of directors loan and personal guarantees of directors of the company. The facilities are being repaid in quarterly instalments beginning from November 2011 and ending on 21 January 2020. These carry mark up @ 3 to 6 month KIBOR + 0.75 % to 2% (2015: 6 month KIBOR + 0.75 % to 1.25 %) p.a.

7. LOANS FROM DIRECTORS

Loans from directors- unsecured

7.1

574,800,000

574,800,000

7.1 These unsecured loans have been obtained from directors of the company, and will be paid as and when convenient to the company. These loans carry markup @ 3 month KIBOR + 1% p.a. prevailing at the year end (2015: 3 month KIBOR + 1 % p.a.). The management for the time being does not intend to repay any amount against these loans until the end of next financial year and hence no current maturity has been provided. These loans are subordinated to bank loans.

	(Un-Audited) 31 March 2016 (Rupees)	(Audited) 30 September 2015
8. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE		
Opening balance	26,803,668	14,002,049
Obtained during the year	5,677,500	22,746,500
Payments/adjustments during the year	(6,842,736)	(9,944,881)
	25,638,432	26,803,668
Less: Security deposits adjustable on expiry of lease term	(4,736,600)	(4,168,850)
	20,901,832	22,634,818
Less: Current portion grouped under current liabilities	(11,729,561)	(12,268,375)
	9,172,271	10,366,443
8.1 Reconciliation between minimum lease payments and present value of minimum lease payments is as follows:		
Not later than one year	13,014,794	13,739,407
Later than one year but not later than five years	9,768,007	11,110,908
Gross Minimum lease payments	22,782,801	24,850,315
Less: Finance cost allocable to future periods	(1,880,969)	(2,215,497)
Present value of minimum lease payments	20,901,832	22,634,818
Less: Current Portion of liabilities against assets subject to finance lease	(11,729,561)	(12,268,375)
	9,172,271	10,366,443

8.2 The company has a finance lease agreement of Rs. 65 million for vehicles with Bank Al Habib Limited. Rentals are payable in 12 quarterly installments commencing from September 2013 ending on December 2018. The mark up rate implicit in the lease is 3 months KIBOR + 1.00% to 1.25% p.a. (2015: 3 months KIBOR + 1.00% to 1.25%) p.a. The lease is secured by way vehicle registered in the name of Bank Al Habib Limited with 10% of vehicle value held as security.

8.3 The company intends to exercise its option to purchase the leased assets upon the maturity of lease term. Taxes, repairs and insurance cost is to be borne by the company. In case of termination of the agreement, the company has to pay the entire rentals for the unexpired period for the lease agreement.

	Note	(Un-Audited) 31 March 2016 (Rupees)	(Audited) 30 September 2015
9. SHORT TERM BORROWINGS - SECURED			
FROM BANKING COMPANIES			
Running Finance	9.1	177,695,033	486,479,011
Cash Finance	9.2	5,426,947,412	1,022,000,041
		5,604,642,445	1,508,479,052

- 9.1** Running finance facilities of Rs. 1,050 (2015: 775 million) have been obtained from various banks to meet the working capital requirements and are secured against first pari passu hypothecation/registered ranking charge over present and future current assets of the company and personal guarantees of the directors. These are subject to mark up @ 1 year KIBOR minus 1% and 1 to 3 month KIBOR plus 0.50% to 1.5% (2015: 1 year KIBOR minus 1.00% and 1 to 3 month KIBOR plus 0.75% to 1.50%) p.a. The limits will expire on various dates by 31 March 2017 but are renewable.
- 9.2** Cash finance facilities of Rs. 7,570 million (2015: 5,860 million) have been obtained from various banks and are secured against pledge over sugar bags of equivalent value with 10% to 25% margin and personal guarantees of the directors. These are subject to mark up @ 1 to 6 month KIBOR plus 0.30% to 1.00% (2015 : 1 to 3 months KIBOR plus 0.75% to 1.00%) p.a. The limits will expire on various dates by 31 March 2017 but are renewable.

10. CONTINGENCIES AND COMMITMENTS

Contingencies

There has been no change in the status of contingencies as reported in preceding annual financial statements as on 30 September 2015 except in Bank Guarantees.

Various claims against the company not acknowledged as debts which are pending in the court for decision	1,568,000	1,568,000
Sales tax on molasses	1,217,508	1,217,508
Income tax cases	11,955,520	11,955,520
Additional tax u/s 87 of Income Tax Ordinance, 1979	4,500,353	4,500,353
Bank guarantees	231,084,153	344,155,053
	250,325,534	363,396,434

Commitments

Contracts for capital expenditure	-	71,950,885
Letters of credit for capital expenditure	-	327,403,134
Letters of credit for other than capital expenditure	-	35,321,702
	-	434,675,721

	Note	(Un-Audited) 31 March 2016 (Rupees)	(Audited) 30 September 2015
11. PROPERTY, PLANT & EQUIPMENT			
Operating Fixed Assets	11.1	2,532,808,578	2,482,514,983
Capital Work in Progress		151,723,981	33,978,378
		<u>2,684,532,559</u>	<u>2,516,493,361</u>
11.1 Operating Fixed Assets			
Opening written down value		2,482,514,983	2,333,589,216
Additions during the period- at cost	11.1.1	167,986,795	370,288,706
Disposals during the period- at WDV		(610,798)	(466,621)
Depreciation charged		(117,082,402)	(220,896,318)
		<u>2,532,808,578</u>	<u>2,482,514,983</u>

**11.1.1 Additions/Disposals
Operating Fixed Assets**

	Half year ended 31 March 2016		Year ended 30 September 2015	
	Addition At Cost	Disposal At WDV	Addition At Cost	Disposal At WDV
 (Rupees)			
Owned Assets				
Freehold land	4,453,040	-	11,158,800	-
Building on freehold land	1,715,420	-	59,856,600	-
Plant and machinery	134,874,668	(508,853)	252,975,679	-
Tools, implements and other factory equipments	3,873,584	-	16,856,476	-
Computer & other office equipments	4,593,834	-	2,353,765	(315,072)
Electric installations	316,423	-	1,200,000	(151,549)
Vehicles	12,482,326	(101,945)	3,140,886	-
	<u>162,309,295</u>	<u>(610,798)</u>	<u>347,542,206</u>	<u>(466,621)</u>
Leased Assets				
Vehicles	5,677,500	-	22,746,500	-
	<u>5,677,500</u>	<u>-</u>	<u>22,746,500</u>	<u>-</u>
	<u>167,986,795</u>	<u>(610,798)</u>	<u>370,288,706</u>	<u>(466,621)</u>

Note	(Un-Audited) 31 March 2016	(Un-Audited) 31 March 2015
 (Rupees)	
12. COST OF SALES		
Finished goods - opening	1,248,180,386	2,329,251,957
Add: Cost of goods manufactured	9,141,343,924	8,869,374,234
	10,389,524,310	11,198,626,191
Finished goods - closing	(6,548,035,656)	(7,524,744,639)
	3,841,488,654	3,673,881,552
12.1 Cost of goods manufactured		
Work in process - opening	5,683,095	6,042,876
Raw material consumed	8,537,547,619	8,276,606,722
Salaries, wages and other benefits	168,948,514	142,720,435
Fuel and power	14,510,343	18,869,699
Stores, spares and loose tools	144,377,495	174,740,225
Repairs and maintenance	152,707,323	145,403,693
Insurance	2,402,281	2,046,784
Depreciation	110,684,969	101,326,439
Vehicles running	6,944,428	4,706,169
Miscellaneous	2,906,821	2,346,012
	9,146,712,888	8,874,809,054
Work in process - closing	(5,368,964)	(5,434,820)
	9,141,343,924	8,869,374,234
13 OTHER INCOME/(EXPENSES)		
Financial Assets		
Profit on deposit accounts	203,872	246,350
Others		
Sale of scrap	1,850,677	8,593,901
Gain on Disposal of Fixed Assets	446,765	230,516
Others	4,435,565	36,435,267
	6,936,879	45,506,034

14. EARNINGS/ (LOSS) PER SHARE - BASIC AND DILUTED

Earnings per share is calculated by dividing the profit after taxation for the period by the weighted average number of shares outstanding during the period as follows:

	Half year ended 31 March 2016 Rupees	Half year ended 31 March 2015 Rupees	Quarter ended 31 March 2016 Rupees	Quarter ended 31 March 2015 Rupees
Profit after taxation	120,831,447	83,885,126	113,626,259	(14,750,708)
Weighted average number of ordinary shares in issue during the period	15,023,232	15,023,232	15,023,232	15,023,232
Earnings per share	8.04	5.58	7.56	(0.98)

No figure for diluted earnings per share has been presented as the company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

15. CHANGES IN WORKING CAPITAL

(Increase) / decrease in current assets:

Stores, spare parts and loose tools	(338,659,055)	(35,014,234)
Stock-in-trade	(5,299,541,139)	(5,194,884,626)
Trade debts	(199,946,158)	6,034,807
Loans and advances	42,885,764	98,759,481
Trade deposits, prepayments and other receivables	77,333,026	(189,382,700)
Taxes recoverable/adjustable	7,809,490	(4,398,708)

Increase / (decrease) in current liabilities:

Trade and other payables	1,441,350,845	1,099,158,863
	<u>(4,268,767,227)</u>	<u>(4,219,727,117)</u>

16. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Remuneration of Chief Executive, Directors and Executives charged during the period under review is as under:

	Half year ended 31 March 2016				Half year ended 31 March 2015			
	Chief Executive	Directors	Executives	Total	Chief Executive	Directors	Executives	Total
 R U P E E S							
Managerial remuneration	1,020,000	1,020,000	31,270,920	33,310,920	1,020,000	1,020,000	25,956,603	27,996,603
Utilities	-	-	611,920	611,920	-	-	542,239	542,239
Total	1,020,000	1,020,000	31,882,840	33,922,840	1,020,000	1,020,000	26,498,842	28,538,842
Number of Persons	1	1	41	43	1	1	39	41

17. TRANSACTIONS WITH RELATED PARTIES

Amount due from and (due to) related parties are included in receivables and payables and remuneration of the key management personnel is disclosed in note 16. Other significant transactions with related parties are as follows:

ASSOCIATED UNDERTAKINGS:

	Half year ended	
	31 March 2016 (Rupees)	31 March 2015
Sale of goods	491,069,777	733,873,164
Purchase of Goods	1,350,945	1,828,099
Expenses paid of/(paid by) associates	-	319,545

The company continues to have a policy whereby all transactions with related parties and associated undertakings are priced at comparable uncontrolled market price.

Balance due from/(due to) related parties as at 31 march 2016 are as below:

	(Un-Audited) 31 March 2016 (Rupees)	(Audited) 30 September 2015
	Naubahar Bottling Company (Pvt) limited	(448,547,793)
Al-Moiz Industries Limited	10,232,832	15,944,934
	(438,314,961)	(57,962,944)

Key Management Personnel

Advances received from/ (Returned to) directors during the period
Markup on loans from directors

	Half year ended	
	31 March 2016 (Rupees)	31 March 2015
Advances received from/ (Returned to) directors during the period	-	268,500,000
Markup on loans from directors	21,123,901	25,837,260

18. FINANCIAL INSTRUMENTS-FAIR VALUES

The additional disclosures due to the adoption of IFRS 13 Fair value measurement are as follows :

Note	Carrying Amount			Fair Value		
	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
	----- Rupees -----					
<i>On-balance sheet financial instruments</i>						
31 March 2015- (Un-audited)						
Financial assets measured at fair value	-	-	-	-	-	-
	-	-	-	-	-	-
<i>Financial assets not measured at fair value</i>						
	18.1					
Long term Deposits	464,500	-	464,500	-	-	-
Trade debts	502,699,400	-	502,699,400	-	-	-
Loans and advances	40,915,009	-	40,915,009	-	-	-
Trade deposits, prepayments and other Receivables	14,553,014	-	14,553,014	-	-	-
Cash and bank balances	139,480,148	-	139,480,148	-	-	-
	698,112,071	-	698,112,071	-	-	-
Financial liabilities measured at fair value	-	-	-	-	-	-
	-	-	-	-	-	-
<i>Financial liabilities not measured at fair value</i>						
	18.1					
Loans from directors	-	574,800,000	574,800,000	-	-	-
Long term finance	-	1,177,623,350	1,177,623,350	-	-	-
Liabilities against assets subject to finance lease	-	20,901,832	20,901,832	-	-	-
Trade and other payables	-	403,917,826	403,917,826	-	-	-
Finance cost payable	-	146,502,038	146,502,038	-	-	-
Short term borrowings	-	5,604,642,445	5,604,642,445	-	-	-
Advances from directors	-	383,300,000	383,300,000	-	-	-
	-	8,311,687,491	8,311,687,491	-	-	-

18.1 The management considers the carrying amount of all financial assets and liabilities not measured at fair value at the end of the reporting period to approximate their fair value as at the reporting date.

19. SEASONALITY

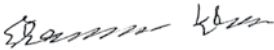
The company's business is seasonal in nature. Entire cane crushing and manufacturing of sugar is done during season from November to the following March. Sugar sales are made throughout the year.

20. SUBSEQUENT MATERIAL EVENTS

There are no significant activities since 31 March 2016 affecting the condensed interim financial information apart from those disclosed in the condensed interim financial information.

21. DATE OF AUTHORIZATION

This condensed interim financial information has been authorized for issue on 20th May 2016 by the Board of Directors.



Chief Executive



Director

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THALINDUSTRIES
CORPORATION

If undelivered, please return to:

THE THAL INDUSTRIES CORPORATION LIMITED

Registered Office: 23-Pir Khurshid Colony Gulgasht Multan.

Ph: 061-6524621 - 6524675

Fax: 061-6524675

Lahore Office: 2-D-1 Gulberg-III, Lahore – 54600

Tel: 042-35771066-71

Fax: 042-35771175