



THALINDUSTRIES

C O R P O R A T I O N



CONDENSED INTERIM FINANCIAL INFORMATION

For the Period Ended 30 June 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

Dubai Islamic 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 3rd Quarter Ended 30 June 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.

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% as compared to last period 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. 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 rest of period of the year.

Net sales of sugar and molasses were recorded at Rs. 7,829.924 million during the nine months period from October 2015 to June 2016 as compared to Rs. 9,139.058 million against the corresponding period of last year.

The Company earned pretax profit of Rs. 404.661 million during the nine months period ended on June, 30 2016 as compared to Rs. 317.019 million in the corresponding period of last year and after tax profit of Rs. 320.144 million against Rs. 220.542 million over the same period in the last year. However pretax profit during the 3rd quarter was Rs. 199.313 million against pretax profit of Rs. 136.657 million during corresponding period. The increase in profitability is mainly due to better sugar prices stabilized in the market because of export allowed 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

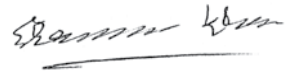
Sugar prices are maintaining their strength in the local market, backed by bullish international markets and what appears to be a balanced national supply and demand position. In this scenario, your company is hopeful of closing the year with improved profitability compared to last year, in continuation of the trend being indicated by the nine months results.

It is important to mention that this improved sugar prices scenario is expected to reverse some time before the next cane crushing season as there is a much larger cane crop expected across Pakistan as compared to last season. So far all reports point to another bumper year of sugar production in Pakistan over the coming season 2016-17. If history is any guide, timely action from the Government to subsidise export of surplus sugar from the country will be essential to achieving a stable national sugar price and reasonable financial outcomes for the sugar sector. If such support from Government is lacking or delayed, the business of sugar industry in Pakistan could prove to be fairly challenging.

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: 25 July 2016

Condensed Interim Balance Sheet

As at 30 June 2016 (Un-Audited)

	Note	(Un-Audited) 30 June 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		1,305,704,401	1,060,676,077
		1,549,736,721	1,304,708,397
Non Current Liabilities			
Long term finance	6	1,038,087,419	561,970,786
Loans from directors	7	574,800,000	574,800,000
Liabilities against assets subject to finance lease	8	6,596,761	10,366,443
Deferred liabilities		284,623,661	301,408,059
		1,904,107,841	1,448,545,288
Current Liabilities			
Trade and other payables		852,055,268	283,229,563
Finance cost payable		152,809,482	77,458,455
Short term borrowings-secured	9	3,603,438,115	1,508,479,052
Advances from directors		400,300,000	383,300,000
Current portion of long term liabilities		229,363,436	229,453,007
Provision for taxation		136,685,713	114,095,088
		5,374,652,014	2,596,015,165
Contingencies and Commitments			
	10	8,828,496,576	5,349,268,850

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



Chief Executive

	(Un-Audited) 30 June 2016	(Audited) 30 September 2015
Note	..... (Rupees)	
PROPERTY AND ASSETS		
Non Current Assets		
Property, plant & equipment	3,032,722,391	2,516,493,361
Long term deposits	464,500	464,500
	3,033,186,891	2,516,957,861
Current Assets		
Stores, spare parts and loose tools	419,946,141	371,107,200
Stock-in-trade	3,732,945,003	1,253,863,481
Trade debts	661,845,032	302,753,242
Loans and advances	380,987,003	299,168,017
Trade deposits, prepayments and other receivables	10,161,716	100,046,316
Taxes recoverable / adjustable	524,106,168	472,496,044
Cash and bank balances	65,318,622	32,876,689
	5,795,309,684	2,832,310,989
	8,828,496,575	5,349,268,850

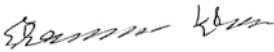

 Director

Condensed Interim Profit and Loss Account

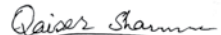
For the Period Ended 30 June 2016 (Un-Audited)

Note	PERIOD ENDED		QUARTER ENDED	
	30 June		30 June	
	2016	2015	2016	2015
	..... (Rupees) .....		..... (Rupees)	
Sales - Net	7,829,923,872	9,139,057,734	3,525,720,101	4,988,150,786
Cost of sales	(6,875,135,432)	(8,315,354,371)	(3,033,646,778)	(4,641,472,819)
Gross profit	954,788,439	823,703,363	492,073,322	346,677,967
Operating expenses				
Distribution and selling expenses	(77,260,382)	(88,336,140)	(28,325,719)	(38,998,462)
Administrative expenses	(223,378,701)	(177,769,018)	(70,562,350)	(57,503,509)
	(300,639,083)	(266,105,158)	(98,888,069)	(96,501,971)
Operating profit	654,149,356	557,598,205	393,185,253	250,175,996
Other income	10,341,437	142,234,705	3,404,558	96,728,671
	664,490,793	699,832,910	396,589,811	346,904,667
Finance cost	(229,838,634)	(359,317,862)	(96,158,414)	(136,519,933)
Other expenses	(29,990,999)	(23,495,538)	(20,739,352)	(14,525,713)
	(259,829,633)	(382,813,400)	(116,897,766)	(151,045,646)
Profit before taxation	404,661,160	317,019,510	279,692,045	195,859,021
Taxation	(84,516,676)	(96,477,081)	(80,379,008)	(59,201,718)
Profit after taxation	320,144,484	220,542,429	199,313,037	136,657,303
Earnings Per Share-Basic & Diluted	21.31	14.68	13.27	9.10

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 Period Ended 30 June 2016 (Un-Audited)

	PERIOD ENDED		QUARTER ENDED	
	30 June		30 June	
	2016	2015	2016	2015
	..... (Rupees) .....		..... (Rupees)	
Profit after tax	320,144,484	220,542,429	199,313,037	136,657,303
<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	320,144,484	220,542,429	199,313,037	136,657,303

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



Chief Executive


Director

Condensed Interim Cash Flow Statement

For the Period Ended 30 June 2016 (Un-Audited)

	30 June 2016	30 June 2015
	..... (Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	404,661,160	317,019,510
Adjustment for:		
Depreciation	178,389,694	161,163,741
Finance cost	229,838,634	359,317,862
Gain on disposal of fixed assets	(446,765)	(230,516)
Workers' Profit Participation Fund	21,732,608	17,025,752
Provision for gratuity	17,211,118	17,844,203
Workers Welfare Fund	8,258,391	6,469,786
	454,983,680	561,590,828
Operating cash flows before changes in working capital	859,644,840	878,610,338
Changes in working capital	15 (2,367,674,656)	(1,089,097,756)
	(1,508,029,815)	(210,487,418)
Gratuity paid	(8,517,996)	(4,365,883)
Finance cost paid	(151,455,301)	(398,618,984)
Workers' profit participation fund paid	(19,703,497)	(4,429,243)
Workers Welfare fund paid	(2,075,555)	(642,361)
Income tax paid	(87,403,571)	(54,607,574)
NET CASH FLOW USED IN OPERATING ACTIVITIES	(1,777,185,735)	(673,151,463)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(689,552,022)	(320,587,335)
Proceed from disposal of fixed assets	1,057,563	697,137
NET CASH USED IN INVESTING ACTIVITIES	(688,494,459)	(319,890,198)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term finance	477,856,821	22,250,779
Advances from directors	17,000,000	357,300,000
Short term borrowings - net	2,094,959,063	451,018,549
Lease payments	(11,276,941)	(9,170,901)
Dividend paid	(80,416,816)	(6,171,450)
NET CASH FLOW FROM FINANCING ACTIVITIES	2,498,122,127	815,226,977
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	32,441,933	(177,814,684)
	32,876,689	230,908,245
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	65,318,622	53,093,561

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



Chief Executive



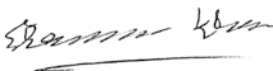
Director

Condensed Interim Statement of Changes in Equity

For the Period Ended 30 June 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 nine months	-	-	220,542,429	220,542,429
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 30 June 2015	150,232,320	93,800,000	1,035,816,446	1,279,848,766
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 three months	-	-	38,681,004	38,681,004
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 nine months	-	-	320,144,484	320,144,484
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 30 June 2016	150,232,320	93,800,000	1,305,704,401	1,549,736,721

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



Chief Executive


Director

Selected Notes to the Condensed Interim Financial Information

For the Period Ended 30 June 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 18 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 nine months period ended 30 June 2016 are based on un-audited/un-reviewed condensed interim financial information. The condensed interim profit & loss account and condensed interim statement of other comprehensive income for the quarters ended 30 June 2016 and 30 June 2015 are neither audited nor reviewed.

3. STATEMENT OF COMPLIANCE

This condensed interim financial information of the company for the nine months period ended 30 June 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)
30 June
2016

..... (Rupees)

(Audited)
30 September
2015

200,000,000

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

1,038,087,419

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 loans 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) 30 June 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 period	5,677,500	22,746,500
Payments/adjustments during the period	(10,489,391)	(9,944,881)
	21,991,777	26,803,668
Less: Security deposits adjustable on expiry of lease term	(4,956,400)	(4,168,850)
	17,035,377	22,634,818
Less: Current portion grouped under current liabilities	(10,438,616)	(12,268,375)
	6,596,761	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	11,490,101	13,739,407
Later than one year but not later than five years	6,991,410	11,110,908
	18,481,511	24,850,315
Gross Minimum lease payments	18,481,511	24,850,315
Less: Finance cost allocable to future periods	(1,446,134)	(2,215,497)
	17,035,377	22,634,818
Present value of minimum lease payments	17,035,377	22,634,818
Less: Current Portion of liabilities against assets subject to finance lease	(10,438,616)	(12,268,375)
	6,596,761	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) 30 June 2016 (Rupees)	(Audited) 30 September 2015
9. SHORT TERM BORROWINGS - SECURED		
FROM BANKING COMPANIES		
Running Finance	9.1 188,607,241	486,479,011
Cash Finance	9.2 3,414,830,874	1,022,000,041
	3,603,438,115	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	133,415,099	71,950,885
Letters of credit for capital expenditure	-	327,403,134
Letters of credit for other than capital expenditure	415,264	35,321,702
	133,830,363	434,675,721

	Note	(Un-Audited) 30 June 2016 (Rupees)	(Audited) 30 September 2015
11. PROPERTY, PLANT & EQUIPMENT			
Operating Fixed Assets	11.1	2,523,082,752	2,482,514,983
Capital Work in Progress		509,639,639	33,978,378
		<u>3,032,722,391</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	219,568,261	370,288,706
Disposals during the period- at WDV		(610,798)	(466,621)
Depreciation charged		(178,389,694)	(220,896,318)
		<u>2,523,082,752</u>	<u>2,482,514,983</u>

**11.1.1 Additions and Disposals
Operating Fixed Assets**

	Period ended 30 June 2016		Year ended 30 September 2015	
	Addition At Cost	Disposal At WDV	Addition At Cost	Disposal At WDV
	..... (Rupees)			
Owned Assets				
Freehold land	34,843,910	-	11,158,800	-
Building on freehold land	1,715,420	-	59,856,600	-
Plant and machinery	154,507,639	(508,853)	252,975,679	-
Tools, implements and other factory equipments	3,998,364	-	16,856,476	-
Computer & other office equipments	6,015,044	-	2,353,765	(315,072)
Electric installations	316,423	-	1,200,000	(151,549)
Vehicles	12,493,961	(101,945)	3,140,886	-
	<u>213,890,761</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>219,568,261</u>	<u>(610,798)</u>	<u>370,288,706</u>	<u>(466,621)</u>

	Period Ended	
	(Un-Audited) 30 June 2016 (Rupees)	(Un-Audited) 30 June 2015
Note		
12. COST OF SALES		
Finished goods - opening	1,248,180,386	2,329,251,957
Add: Cost of goods manufactured	12.1 9,354,423,850	9,027,834,687
	10,602,604,236	11,357,086,644
Finished goods - closing	(3,727,468,804)	(3,041,732,273)
	6,875,135,432	8,315,354,371
12.1 Cost of goods manufactured		
Work in process - opening	5,683,095	6,042,876
Raw material consumed	8,584,607,565	8,279,511,878
Salaries, wages and other benefits	231,457,364	198,295,514
Fuel and power	22,693,898	28,651,655
Stores, spares and loose tools	146,394,610	175,514,056
Repairs and maintenance	186,455,545	181,513,289
Insurance	2,439,045	2,189,478
Depreciation	168,541,489	151,590,761
Vehicles running	8,354,353	7,066,636
Miscellaneous	3,273,085	3,005,644
	9,359,900,049	9,033,381,786
Work in process - closing	(5,476,199)	(5,547,099)
	9,354,423,850	9,027,834,687
13. OTHER INCOME/(EXPENSES)		
Financial Assets		
Profit on deposit accounts	270,424	472,951
Others		
Sale of scrap	4,289,427	8,650,789
Gain on Disposal of Fixed Assets	446,765	230,516
Subsidy on export of Sugar	-	88,100,000
Others	5,334,821	44,780,449
	10,341,437	142,234,705

14. EARNINGS 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:

	Period ended 30 June 2016	Period ended 30 June 2015	Quarter ended 30 June 2016	Quarter ended 30 June 2015
	Rupees	Rupees	Rupees	Rupees
Profit after taxation	320,144,484	220,542,428	199,313,037	136,657,303
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	21.31	14.68	13.27	9.10

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:

	Period ended 30 June 2016	30 June 2015
	..... (Rupees)	
Stores, spare parts and loose tools	(48,838,941)	(28,724,114)
Stock-in-trade	(2,479,081,522)	(711,984,539)
Trade debts	(359,091,790)	(328,272,421)
Loans and advances	(81,818,986)	19,999,877
Trade deposits, prepayments and other receivables	89,884,600	(25,339,266)
Taxes recoverable/adjustable	(51,610,124)	(53,028,421)

Increase / (decrease) in current liabilities:

Trade and other payables	562,882,107	38,251,129
	<u>(2,367,674,656)</u>	<u>(1,089,097,756)</u>

16. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	Period ended 30 June 2016				Period ended 30 June 2015			
	Chief Executive	Directors	Executives	Total	Chief Executive	Directors	Executives	Total
	..... R U P E E S							
Managerial remuneration	1,530,000	1,530,000	47,983,116	51,043,116	1,530,000	1,530,000	39,412,268	42,472,268
Bonus	-	-	3,535,027	-	-	-	1,873,370	1,873,370
Utilities	-	-	942,211	942,211	-	-	822,444	822,444
Total	1,530,000	1,530,000	52,460,354	55,520,354	1,530,000	1,530,000	42,108,082	45,168,082
Number of Persons	1	1	42	44	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:

	Period ended	
	30 June 2016	30 June 2015
	..... (Rupees)	
ASSOCIATED UNDERTAKINGS:		
Sale of goods	584,590,370	1,545,083,273
Purchase of Goods	46,563,445	2,135,805
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.

	(Un-Audited)	(Audited)
	30 June 2016	30 September 2015
	..... (Rupees)	
Balance due from/(due to) related parties as at 30 June 2016 are as below:		
Naubahar Bottling Company (Pvt) limited	(287,764,531)	(73,907,878)
Al-Moiz Industries Limited	(10,886,907)	15,944,934
	<u>(298,651,438)</u>	<u>(57,962,944)</u>

	Period ended	
	30 June 2016	30 June 2015
	..... (Rupees)	
Key Management Personnel		
Advances received from/ (Returned to) directors during the period	17,000,000	357,300,000
Markup on loans from directors	30,392,550	34,531,110

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>							
30 June 2016 - (Un-audited)							
Financial assets measured at fair value		-	-	-	-	-	-
		-	-	-	-	-	-
<i>Financial assets not measured at fair value</i>							
Long term Deposits	18.1	464,500	-	464,500	-	-	-
Trade debts		661,845,032	-	661,845,032	-	-	-
Loans and advances		31,688,492	-	31,688,492	-	-	-
Trade deposits, prepayments and other Receivables		4,116,733	-	4,116,733	-	-	-
Cash and bank balances		65,318,622	-	65,318,622	-	-	-
		<u>763,433,379</u>	<u>-</u>	<u>763,433,379</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial liabilities measured at fair value		-	-	-	-	-	-
		-	-	-	-	-	-
<i>Financial liabilities not measured at fair value</i>							
Loans from directors	18.1	-	574,800,000	574,800,000	-	-	-
Long term finance		-	1,257,012,239	1,257,012,239	-	-	-
Liabilities against assets subject to finance lease		-	17,035,377	17,035,377	-	-	-
Trade and other payables		-	165,534,816	165,534,816	-	-	-
Finance cost payable		-	152,809,482	152,809,482	-	-	-
Short term borrowings		-	3,603,438,115	3,603,438,115	-	-	-
Advances from directors		-	400,300,000	400,300,000	-	-	-
		-	<u>6,170,930,029</u>	<u>6,170,930,029</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

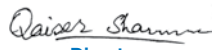
There are no significant activities since 30 June 2016 affecting the condensed interim financial information apart from those disclosed in the condensed interim financial information.

21. DATE OF AUTHORIZATION

This condensed interim financial information has been authorized for issue on 25 July 2016 by the Board of Directors.



Chief Executive



Director

BOOK POST

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CORPORATION

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