



**THALINDUSTRIES**  
CORPORATION

IMAGINATION TURNS TO  
INNOVATION

20  
QUARTERLY  
REPORT  
21



CONDENSED INTERIM FINANCIAL INFORMATION  
For the 1st Quarter Ended 31 December 2021  
(Un-audited)

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# COMPANY INFORMATION

## BOARD OF DIRECTORS

### CHAIRPERSON

Mrs. Qaiser Shamim Khan

### CHIEF EXECUTIVE

Mr. Muhammad Shamim Khan

### MANAGING DIRECTOR

Mr. Nauman Ahmed Khan

### DIRECTORS

Mr. Muhammad Shamim Khan	(Director)
Mrs. Qaiser Shamim Khan	(Director)
Mr. Adnan Ahmed Khan	(Director)
Mr. Nauman Ahmed Khan	(Director)
Mr. Muhammad Khan	(Director)
Mr. Muhammad Ashraf Khan Durani	(Independent Director)
Mr. Abdul Wahid Khan	(Independent Director)

## 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

## BANKERS

Allied Bank Limited  
Askari Bank Limited  
Bank Al-Habib Limited  
Bank Alfalah Limited  
Bank Islamic (Pakistan) Limited  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
MCB Bank Limited  
MCB Islamic Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Standard Chartered Bank (Pakistan) Limited  
Soneri Bank Limited  
United Bank Limited  
The Bank of Punjab  
NBP Aitemaad Islamic Bank Limited

<b>AUDIT COMMITTEE</b>	Mr. Muhammad Ashraf Khan Durani (Chairman) Mrs. Qaiser Shamim Khan (Member) Mr. Adnan Ahmed Khan (Member)
<b>HUMAN RESOURCE &amp; REMUNERATION COMMITTEE</b>	Mr. Abdul Wahid Khan (Chairman) Mr. Adnan Ahmed Khan (Member) Mr. Muhammad Khan (Member)
<b>RISK MANAGEMENT COMMITTEE</b>	Mr. Abdul Wahid Khan (Chairman) Mr. Muhammad Ashraf Khan Durani (Member)
<b>NOMINATION COMMITTEE</b>	Mr. Abdul Wahid Khan (Chairman) Mr. Muhammad Ashraf Khan Durani (Member)
<b>SHARE REGISTRAR</b>	M/s. CORPLINK (Pvt) Ltd Wings Arcade, 1-K- Commercial Model Town, Lahore Tel: 042-35839182, 35887262 Fax: 042-35869037
<b>REGISTERED OFFICE</b>	23- Pir Khurshid Colony Gulgasht, Multan Tel: 061-6524621, 6524675 Fax: 061-6524675
<b>LAHORE OFFICE</b>	2-D-1 Gulberg-III, Lahore – 54600 Tel: 042-35771066-71 Fax: 042-357771175
<b>FACTORY ADDRESSES</b>	<b>Unit 1:</b> Layyah Sugar Mills, Layyah Tel: 0606-411981-4, 0606-410014 Fax: 0606-411284 <b>Unit 2:</b> Safina Sugar Mills, Lalian District Chinniot. Tel: 047-6610011-6 Fax: 047-6610010
<b>WEBSITE</b>	<a href="http://www.thalindustries.com">www.thalindustries.com</a>

# DIRECTORS' REVIEW

The Directors of your Company are pleased to present the Un-Audited Accounts of the Company for the 1st Quarter Ended 31 December 2021 in compliance with the section 237 of the Companies Act, 2017.

## INDUSTRY OVERVIEW

During the period under review, cultivated area of sugarcane crop remained higher and yield per acre being reported by the growers is also reportedly higher as compared to last year. The early start of crushing season could affect the yield and recovery of cane. Despite of above facts we are expecting better sugar recoveries in the area as compared to last year due to extra ordinary efforts made by agri team to promote better varieties of sugar cane and good practices.

For current crushing season 2021-22, notified support price of sugarcane is Rs. 225/- per 40 kg in Punjab & KPK and Rs. 250/- per 40 kg in the province of Sindh. However, purchase price is substantially higher than support price.

Due to early start of crushing season from 15 November 2021 tough competition has been observed in cane procurement that resulted into price war like situation in the region. Average sugarcane purchase cost is higher as compared to last year.

## OPERATING HIGHLIGHTS

As the crushing is in process and so far Company is able to crush 931,812.625 M. Tons sugarcane and produced 84,099.200 M. Tons white refined sugar at an average recovery of 9.428% during the first quarter ending December 31, 2021 as compared to corresponding period of last year sugarcane crushing of 962,017.550 M. Tons and production of 86,702.500 M. Tons white refined sugar at an average recovery of 9.360%.

Net sales were recorded at Rs. 2,359.572 million during the first quarter of current financial year as compared to Rs. 1,869.697 million against the corresponding period of last year.

The Company earned pretax profit of Rs. 253.649 million during the quarter under review as compared to pretax profit of Rs. 321.204 million in the corresponding period of last year. Decrease in profitability is attributed to increase in sugarcane procurement cost.

All out efforts are being made to increase the production and profitability of the Company through process efficiency, installing modern and latest technology, reducing production cost by close supervision, developing good quality cane by providing the latest improved seed varieties, fertilizer, pesticides etc. and facilitating the cane growers constantly, which ultimately will result in higher sugar recovery and also financial benefit to the cane growers.

## CORPORATE GOVERNANCE

### Best Corporate Practices

Directors are committed to good corporate governance and comply with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Rule Book of Pakistan Stock Exchange. The statement of compliance with the CCG is enclosed.

1. The total number of directors are seven as per the following:

- Male: Six
- Female: One

2. The composition of the Board of Directors (the Board") is as follows:

Category	Names
Independent Directors	Mr. Muhammad Ashraf Khan Durani Mr. Abdul Wahid Khan
Executive Directors	Mr. Muhammad Shamim Khan (CEO) Mr. Nauman Ahmed Khan
Non-Executive Directors	Mrs. Qaiser Shamim Khan Mr. Adnan Ahmed Khan Mr. Muhammad Khan

3. The Board has formed committees comprising of members given below:

#### AUDIT COMMITTEE

- Mr. Muhammad Ashraf Khan Durani (Chairman)
- Mrs. Qaiser Shamim Khan
- Mr. Adnan Ahmed Khan

#### HR AND REMUNERATION COMMITTEE

- Mr. Abdul Wahid Khan (Chairman)
- Mr. Adnan Ahmed Khan
- Mr. Muhammad Khan

#### NOMINATION COMMITTEE

- Mr. Abdul Wahid Khan (Chairman)
- Mr. Muhammad Ashraf Khan Durani

#### RISK MANAGEMENT COMMITTEE

- Mr. Abdul Wahid Khan (Chairman)
- Mr. Muhammad Ashraf Khan Durani

4. The Board of Directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and Regulations. The detail is given in Note: 16 to the Financial Statement.

#### FUTURE OUT LOOK

According to surveys the sugarcane crop size in current crushing season 2021-22 is estimated to be approx. 10-15% higher than last year so the sugar production this year will also be higher. In view of all this, it is expected that sugarcane prices would play a vital role in the determination of sugar prices. Even after the substantial increase in support prices of sugarcane by the Provincial Governments, the industry is procuring sugarcane at much higher prices as growers are not willing to supply sugarcane at notified support prices. This will result in increasing the production cost of the sugar, consequently sugar prices in the market will remain on the higher side. Government needs to take appropriate measures to ensure availability of sugarcane to sugar mills at support prices.

During last couple of months, State Bank of Pakistan (SBP) has increased base rate by 275 bps which has jacked up the mark up rates which will result in increasing the financial cost of the Company. Any further increase in mark-up rates may adversely affect the profitability of the Company.

Sales tax evasion and undocumented sugar trade were two major challenges being faced by the sugar industry. These issues were the root causes of instability in the prices of sugarcane, sugar and hurdle in planning by the Government for availability of sugar in the country. To curb these issues on 11 November 2021, FBR has issued Sales Tax General Order No. 05 of 2021-22 with subject of Implementation of Track & Trace System. As per order, no sugar bags shall be allowed to be removed from production site or factory without affixation of Tax Stamps / Unique Identification Marking (UIMs) with effect from 11 November 2021, which are to be obtained / procured from FBR Licensed vendor only. FBR has achieved marvelous success in the implementation of Track & Trace System and results are quite satisfactory. This is milestone achieved by FBR which will result in giving level playing fields to fully compliant sugar mills and substantial increase in the revenue of FBR. Now FBR should also find out practical ways to document the sugar trade which is another uphill task.

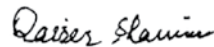
## ACKNOWLEDGEMENT

The Board would like to record their appreciation for the efforts and devotion of all the Company's employees and hope they will continue their contribution towards the enhancement of productivity and well-being of the company in the future as well. The board also wishes to thank the financial institutions, farmers and all stakeholders associated with the company for their support and cooperation.

For and on behalf of Board of Directors,  
**The Thal Industries Corporation Ltd.**



**Muhammad Shamim Khan**  
Chief Executive



**Mrs. Qaiser Shamim Khan**  
Chairperson

LAHORE: 24 January 2022

## ڈائریکٹرز کی جائزہ رپورٹ

کمپنی کے ڈائریکٹر کمپنیز ایکٹ 2017ء کی دفعہ 237 کی تعمیل میں 31 دسمبر 2021 کو ختم ہونے والی پہلی سہ ماہی کے لئے کمپنی کے غیر نظر ثانی شدہ حسابات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

### صنعت کا مجموعی جائزہ

زیر جائزہ مدت کے دوران گنے کی فصل کا کاشت کردہ رقبہ زیادہ رہا اور کاشتکاروں کی طرف سے گزشتہ سال کے مقابلے فی ایکڑ پیداوار بھی زیادہ بتائی جا رہی ہے۔ کرشنگ سیزن کا جلد آغاز گنے کی پیداوار اور ریکوری کو متاثر کر سکتا تھا۔ بلا حقائق کے باوجود زرعی ٹیم کی بہتر گنے کی اقسام کو فروغ دینے کی غیر معمولی کوششوں کے باعث گزشتہ سال کے مقابلے علاقہ میں شوگر ریکوریاں بہتر ہونے کی توقعات ہیں۔

موجودہ کرشنگ سیزن 2021-22 کیلئے پنجاب اور کے پی کے میں گنے کی امدادی قیمت -/225 روپے فی من اور صوبہ سندھ میں -/250 روپے فی من کا اعلان کیا گیا ہے۔ تاہم، قیمت خرید امدادی قیمت سے کافی زیادہ ہے۔ 15 نومبر 2021 سے کرشنگ سیزن کے جلد آغاز کی وجہ سے گنے کی خریداری میں سخت مقابلہ دیکھا گیا جس کے نتیجے میں خطے میں قیمت جنگ کی صورت حال پائی گئی۔ گنے کی اوسط قیمت خرید گزشتہ سال کے مقابلے زیادہ ہے۔

### آپریٹنگ جھلکیاں

31 دسمبر 2021ء کو ختم ہونے والی پہلی سہ ماہی کے دوران کمپنی نے 931,812.625 میٹرک ٹن گنے کی کرشنگ کی اور 9.428 فیصد اوسط ریکوری کے ساتھ 84,099.200 میٹرک ٹن سفید ریفائنڈ چینی بنائی جبکہ اس کے مقابلے میں گزشتہ سال 962,017.550 میٹرک ٹن گنے کی کرشنگ کی اور 9.360 فیصد اوسط ریکوری کے ساتھ 86,702.500 میٹرک ٹن سفید ریفائنڈ چینی بنائی۔ گزشتہ سال کی اسی مدت میں 1,869.697 ملین روپے خالص فروخت کے برعکس رواں مالی سال کی پہلی سہ ماہی کے دوران 2,359.572 ملین روپے درج کی گئی۔

کمپنی کو زیر جائزہ سہ ماہی کے دوران ٹیکس سے قبل 253.649 ملین روپے منافع حاصل ہوا جبکہ گزشتہ سال کی اسی مدت میں ٹیکس سے قبل 321.204 ملین روپے کا منافع ہوا تھا۔ منافع میں کمی گنے کی خریداری کی قیمت میں اضافہ کی وجہ سے ہوئی ہے۔

تمام تزکوشیں عمل کارکردگی بہتر بنانے، جدید ترین مینٹیننس آلات نصب کرنے، کڑی نگرانی کی بدولت پیداواری اخراجات کو کم کرنے، اچھا معیاری گنا حاصل کرنے کے لئے کاشتکاروں کو مسلسل جدید بہترین بیج کی اقسام، کھادیں، ادویات وغیرہ اور دیگر باہم سہولیات پہنچا کر کمپنی کی پیداوار اور منافع کو بڑھانے کے لئے کی جا رہی ہیں، جس کے نتیجے بالآخر چینی کی ریکوری زیادہ اور گنے کے کاشتکاروں کو مالی فوائد بھی حاصل ہوں گے۔

### کارپوریٹ گورننس

### بہترین کارپوریٹ حوال

ڈائریکٹرز بہتر کارپوریٹ گورننس پر عملدرآمد اور فہرست کمپنیز (کارپوریٹ گورننس کا ضابطہ) ریگولیشنز، 2019 اور پاکستان اسٹاک ایکسچینج کی رول بک کی ضروریات کو پورا کرتے ہیں۔ کوڈ آف کارپوریٹ گورننس کے مطابق تعمیل کا بیان منسلک ہے۔



1- مندرجہ ذیل کے مطابق ڈائریکٹرز کی کل تعداد سات ہے:

• مرد: چھ

• خاتون: ایک

2- بورڈ آف ڈائریکٹرز (بورڈ) کی تشکیل مندرجہ ذیل ہے:

کیٹگری	نام
آزاد ڈائریکٹرز	جناب محمد اشرف خان درانی جناب عبدالواحد خان
ایگزیکٹو ڈائریکٹرز	جناب محمد شمیم خان (سی ای او) جناب نعمان احمد خان
نان ایگزیکٹو ڈائریکٹرز	محترمہ قیصر شمیم خان جناب عدنان احمد خان جناب محمد خان

3- بورڈ نے حسب ذیل ارکان پر مشتمل کمیٹیاں تشکیل دی ہیں۔

### آڈٹ کمیٹی

• جناب محمد اشرف خان درانی (چیئرمین)

• محترمہ قیصر شمیم خان

• جناب عدنان احمد خان

### بیج آر اینڈ ریمریشن کمیٹی

• جناب عبدالواحد خان (چیئرمین)

• جناب عدنان احمد خان

• جناب محمد خان

### نامزدگی کمیٹی

• جناب عبدالواحد خان (چیئرمین)

• جناب محمد اشرف خان درانی

### رسک منجمنٹ کمیٹی

• جناب عبدالواحد خان (چیئرمین)

• جناب محمد اشرف خان درانی

4- بورڈ آف ڈائریکٹرز ایکٹ اور ریگولیشنز کے مطابق ڈائریکٹرز کے معاوضے کے لئے رسی پالیسی اور شفاف طریقہ کار رکھتے ہیں۔

تفصیل مالی گوشواروں کے نوٹ 16 میں دی گئی ہے۔

## مستقبل کا نقطہ نظر

سروے کے مطابق موجودہ کرٹنگ سیزن 2021-22 میں گنے کی فصل کے سائز کا تخمینہ گزشتہ سال سے تقریباً 15-10 فیصد زیادہ لگایا گیا ہے۔ لہذا اس سال چینی کی پیداوار بھی زیادہ ہوگی۔ ان تمام کے پیش نظر، یہ توقع ہے کہ گنے کی قیمتیں چینی کی قیمتوں کے تعین میں اہم کردار ادا کریں گی۔ صوبائی حکومتوں کی طرف سے گنے کی امدادی قیمتوں میں اضافے کے باوجود صنعت بہت زیادہ قیمتوں پر گنے کی خریداری کر رہی ہے کیونکہ کاشتکار اعلان کردہ امدادی قیمتوں پر گنا فراہم نہیں کر رہے ہیں۔ جس کے نتیجے میں چینی کے پیداواری اخراجات میں اضافہ ہوگا، اس کے بعد مارکیٹ میں چینی کی قیمتیں زیادہ رہ سکتی ہیں۔ حکومت کو امدادی قیمتوں پر شوگر ملوں کو گنے کی دستیابی یقینی بنانے کے لئے مناسب اقدامات اٹھانے کی ضرورت ہے۔

گزشتہ مہینوں کے دوران، بینک دولت پاکستان (SBP) نے بیس ریٹ میں 275 bps تک اضافہ کر دیا جس نے مارک اپ ریٹ کو بھی بڑھا دیا جس کے نتیجے میں چینی کی مالی لاگت میں اضافہ ہو جائے گا۔ مارک اپ ریٹ میں کوئی مزید اضافہ کمپنی کے منافع کو بری طرح متاثر کر سکتا ہے۔

سیلز ٹیکس کی چوری اور چینی کی غیر دستاویزی تجارت شوگر انڈسٹری کو درپیش دو بڑے چیلنجز تھے۔ یہ مسائل گنے، چینی کی قیمتوں میں عدم استحکام اور ملک میں چینی کی دستیابی کے لیے حکومت کی جانب سے منصوبہ بندی میں رکاوٹ کی بنیادی وجہ تھے۔ ان مسائل کو ختم کرنے کے لئے 11 نومبر 2021 کو، ایف بی آر نے ٹریک اور ٹریبس سسٹم کے نفاذ کے حوالے سے سیلز ٹیکس جنرل آرڈر نمبر 05 آف 2021-22 جاری کیا۔ آرڈر کے مطابق، 11 نومبر 2021 سے مؤثر کسی شوگر بیگ کو ٹیکس اسٹیٹس ایپس ایپلیکیشن یا نیوٹریٹی مارکنگ (UIMS) کے بغیر، جو کہ صرف ایف بی آر کے لائسنس یافتہ وینڈر سے حاصل خریدی گئی ہیں، پروڈکشن سائٹ یا فیکٹری سے منتقل کرنے کی اجازت نہیں ہوگی۔ ایف بی آر نے ٹریک اور ٹریبس سسٹم کے نفاذ میں شاندار کامیابی حاصل کی اور نتائج کافی تسلی بخش ہیں۔ یہ ایف بی آر کی جانب سے حاصل کیا گیا ایک سنگ میل ہے جس کے نتیجے میں شوگر ملوں کو مکمل طور پر کمپلائٹ کرنے کے لیے ہموار میدان ملے گا اور ایف بی آر کی آمدنی میں خاطر خواہ اضافہ ہوگا۔ اب ایف بی آر کو شوگر کی تجارت کو دستاویزی کرنے کے عملی طریقے بھی تلاش کرنے چاہئیں جو ایک اور مشکل کام ہے۔

## اظہار تشکر

کمپنی کے ڈائریکٹر تمام ملازمین کی کوششوں اور لگن کو سراہتے ہیں اور امید کرتے ہیں کہ وہ پیداوار میں اضافہ اور کمپنی کی بھلائی کی خاطر مستقبل میں بھی اپنی کوششوں کو جاری رکھیں گے۔ بورڈ کمپنی کے ساتھ شریک مالی اداروں، کسانوں اور تمام شریک اسٹیک ہولڈرز کی حمایت اور تعاون کا بھی شکریہ ادا کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹر

*Dawar Slavina*

محترمہ قیصر شمیم خان

چیئر پرسن

*Muhammad Shaim Khan*

محمد شمیم خان

چیف ایگزیکٹو

لاہور: 24 جنوری 2022ء

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at 31 December 2021 (Un-Audited)

	Note	(Un-Audited) 31 December 2021 ..... (Rupees) .....	(Audited) 30 September 2021
<b><u>EQUITY &amp; LIABILITIES</u></b>			
<b>Share Capital and Reserves</b>			
Share capital	5	150,232,320	150,232,320
Revenue reserves		93,800,000	93,800,000
Accumulated profit		4,990,006,702	4,809,915,225
		5,234,039,022	5,053,947,545
<b>LOANS FROM DIRECTORS</b>			
	6	534,800,000	574,800,000
<b>Non Current Liabilities</b>			
Long term finance	7	377,817,858	476,654,175
Lease Liabilities	8	62,282,106	64,823,627
Government Grant		-	51,507
Deferred liabilities		420,663,246	402,429,557
		860,763,210	943,958,866
<b>Current Liabilities</b>			
Trade and other payables		2,538,860,249	1,246,526,039
Finance cost payable		30,707,378	16,471,659
Short term borrowings-secured	9	3,620,806,394	122,783,266
Advances from directors		95,300,000	95,300,000
Current portion of long term liabilities		468,172,268	478,042,898
Uncashed Dividend warrants		21,434,554	22,491,719
Provision for taxation		100,250,008	277,072,200
		6,875,530,851	2,258,687,781
<b>Contingencies and Commitments</b>			
	10	13,505,133,083	8,831,394,192

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

  
Chief Executive

  
Chief Financial Officer

  
Director

	Note	(Un-Audited) 31 December 2021 ..... (Rupees) .....	(Audited) 30 September 2021
<b><u>PROPERTY AND ASSETS</u></b>			
<b>Non Current Assets</b>			
Property, plant & equipment	11	4,909,254,533	4,768,666,532
Intangible Assets		1,000	1,000
Long term deposits		464,500	464,500
		4,909,720,033	4,769,132,032
<b>Current Assets</b>			
Stores, spare parts and loose tools		728,336,265	752,263,119
Stock-in-trade		4,976,111,990	613,465,626
Trade debts		838,363,504	759,579,816
Short Term Investments		124,698,636	679,729,542
Loans and advances		360,433,271	491,417,116
Trade deposits, prepayments & other receivables		170,267,117	81,404,528
Current portion of long term advances		31,925,032	34,801,348
Taxes recoverable / adjustable		80,976,686	249,444,704
Cash and bank balances		1,284,300,549	400,156,361
		8,595,413,050	4,062,262,160
		13,505,133,083	8,831,394,192

  
Chief Executive

  
Chief Financial Officer

  
Director

# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the First Quarter Ended 31 December 2021 (Un-Audited)

		Quarter ended	
		31 December 2021	31 December 2020
		..... (Rupees) .....	
Sales - Net		2,359,571,686	1,869,697,057
Cost of sales	12	(1,888,789,022)	(1,307,940,070)
Gross profit		470,782,664	561,756,987
Operating expenses			
Distribution and selling expenses		(28,254,670)	(27,558,530)
Administrative expenses		(142,735,287)	(159,369,159)
		(170,989,957)	(186,927,689)
Operating profit		299,792,707	374,829,298
Other income	13	19,916,781	19,638,233
		319,709,488	394,467,531
Finance cost		(47,260,543)	(49,458,170)
Other expenses		(18,798,977)	(23,805,646)
		(66,059,520)	(73,263,816)
Profit before taxation		253,649,968	321,203,715
Taxation		(73,558,491)	(96,361,115)
Profit after taxation		180,091,477	224,842,600
<b>Other Comprehensive Income-Net of Tax</b>			
Items that will be reclassified to profit or loss		-	-
Items that will never be reclassified to profit or loss:			
Remeasurement of staff gratuity (loss)/gain		-	-
Related impact on deferred tax		-	-
		-	-
Total comprehensive income / (loss) for the year		180,091,477	224,842,600
Earnings Per Share-Basic & Diluted	14	11.99	14.97

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

  
Chief Executive

  
Chief Financial Officer

  
Director

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the First Quarter Ended 31 December 2021 (Un-Audited)

Particulars	Share Capital	General Reserves	Accumulated Profit	Loan From Directors	Total
	Rupees				
<b>Balance as on 01 October 2020</b>	150,232,320	93,800,000	3,228,371,604	574,800,000	4,047,203,924
Total Comprehensive Income for the three months	-	-	224,842,600	-	224,842,600
<b>Balance as on 31 Dec 2020</b>	150,232,320	93,800,000	3,453,214,204	574,800,000	4,272,046,524
Total Comprehensive Income for the nine months	-	-	1,401,770,717	-	1,401,770,717
Cash dividend @ 30% i.e Rs. 3.00 per share	-	-	(45,069,696)	-	(45,069,696)
<b>Balance as on 30 September 2021</b>	150,232,320	93,800,000	4,809,915,225	574,800,000	5,628,747,545
Loan from Directors Repaid	-	-	-	(40,000,000)	(40,000,000)
Total Comprehensive Income for the three months	-	-	180,091,477	-	180,091,477
<b>Balance as on 31 December 2021</b>	150,232,320	93,800,000	4,990,006,702	534,800,000	5,768,839,022

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

  
Chief Executive

  
Chief Financial Officer

  
Director

# CONDENSED INTERIM STATEMENT OF CASH FLOWS

For the First Quarter Ended 31 December 2021 (Un-Audited)

	Note	31 December 2021 ..... (Rupees) .....	31 December 2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before taxation		253,649,968	321,203,715
Adjustment for:			
Depreciation		122,086,957	122,493,421
Amortization		-	1,404,373
Provision for gratuity		23,332,124	13,588,874
Gain on disposal of fixed assets		-	-
Finance cost		47,260,543	49,458,170
Workers' Profit Participation Fund		13,622,447	17,250,468
Workers Welfare Fund		5,176,530	6,555,178
		211,478,601	210,750,484
<b>Operating cash flows before changes in working capital</b>			
Changes in working capital	15	(2,344,553,769)	(3,383,072,108)
<b>Cash generated from operations</b>		(1,879,425,200)	(2,851,117,909)
Gratuity paid		(5,098,435)	(2,557,736)
Finance cost paid		(26,497,005)	(42,928,332)
Income tax paid		(250,380,683)	(271,735,938)
<b>NET CASH FLOW USED IN OPERATING ACTIVITIES</b>		(2,201,723,158)	(3,216,796,474)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure		(250,292,442)	(24,900,883)
Proceed from disposal of fixed assets		-	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		(250,292,442)	(24,900,883)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Long term finance		(109,338,898)	(88,289,226)
Loan from Directors		(40,000,000)	-
Government Grant		(669,556)	(893,262)
Lease payments		(10,797,721)	(14,908,724)
Short term borrowings - net		3,498,023,128	3,488,982,762
Advances from directors		-	(120,000,000)
Dividend paid		(1,057,165)	(593,367)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		3,336,159,788	3,264,298,183
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>		884,144,188	22,600,826
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		400,156,361	468,655,666
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		1,284,300,549	491,256,492

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

  
Chief Executive

  
Chief Financial Officer

  
Director

# SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the First Quarter Ended 31 December 2021 (Un-Audited)

## 1. STATUS AND ACTIVITIES

The Thal Industries Corporation Limited (Company) was incorporated in Pakistan on 07 September 1953 under The Companies Act, 1913 (Now Companies Act, 2017) as public company limited by shares. Its shares are quoted on Pakistan stock exchange in Pakistan. The Company is principally engaged in production and sale of refined sugar and its by products.

Geographical location and address of business units/plants

Purpose	Location	Address
Registered Office	Multan	23-Pir Khurshid Colony Gulgasht, Multan
Head Office	Lahore	2-D-1 Gulberg III, Lahore
Mill Site Unit-1	Layyah	Layyah Sugar Mills, Layyah
Mill Site Unit-2	Chinniot	Safina Sugar Mills, Lalian District Chinniot

## 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 2021.

The comparative figures as at 30 September 2021 in the condensed interim statement of financial position and the related notes to the condensed interim financial information are based on audited financial statements. The comparative condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and related notes to the condensed interim financial information for the first quarter ended 31 December 2020 are based on un-audited condensed interim financial information. The condensed interim statement of profit or loss and other comprehensive income for the quarter ended 31 December 2021 and 31 December 2020 are not audited.

## 3. STATEMENT OF COMPLIANCE

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.



#### 4. ACCOUNTING POLICIES

- 4.1 The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended September 30, 2021.
- 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

31-12-2021      30-09-2021

##### Authorized Capital:

			(Un-Audited) 31 December 2021 ..... (Rupees) .....	(Audited) 30 September 2021
100,000,000	100,000,000	Ordinary shares of Rs. 10/- each	1,000,000,000	1,000,000,000

##### 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

\*All the shares are similar with respect to their rights on voting board selection, first refusal and block voting.

#### 6. LOANS FROM DIRECTORS

Loans from directors - unsecured	6.1	534,800,000	574,800,000
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- 6.1 These loans are unsecured, mark up free and payable at the convenience of the Company and 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. The management considers these loans as temporary equity and this view is supported by State Bank of Pakistan's Prudential Regulations and TR 32 of the Institute of Chartered Accountants of Pakistan. These loans are subordinated to bank loans. Last year these loans were shown as non current liabilities, classification of these loans have been changed for better presentation.

#### 7. LONG TERM FINANCE

Loans from banking companies-secured	7.1	377,817,858	476,654,175
--------------------------------------	-----	-------------	-------------

- 7.1 Demand finance/ Diminishing musharaka facilities of Rs. 603 million (2021: Rs. 603 million) and term finance facilities of Rs. 1,660 million (2021: Rs. 1,660 million) have been obtained from various banking companies. These loans are secured against first pari passu/ hypothecation charge over all present and future fixed assets of the Company, personal guarantees of directors of the Company and subordination of directors' loan. The facilities are being repaid in quarterly installments beginning from 22 September 2015 and ending on 30 April 2026. These carry mark up @ 3 to 6 month KIBOR + 0.50 % to 1.00 % (2021: @ 3 to 6 month KIBOR + 0.50 % to 1%) p.a.

It also includes long term loan under 'Refinance Scheme for payment of Wages and Salaries to the Workers and Employees of Business Concerns' (the Scheme) introduced by State Bank of Pakistan. According to conditions of the Scheme, the Company after availing this loan will not lay off their workers / employees at least during three months from the date of first disbursement (June 04, 2020) except in case of any disciplinary action. The facility carries markup @ SBP + 3% P.a. and is secured against first exclusive charge over fixed assets. The principal is repayable in eight quarterly installments starting from January 2021. The aforesaid loan has been obtained from Bank Alfalah and ending on Oct 01, 2022.

## 8. LEASE LIABILITIES

	(Un-Audited) 31 December 2021 ..... (Rupees) .....	(Audited) 30 September 2021
Opening balance	117,533,550	118,484,188
Obtained during the year	9,506,200	36,130,500
Finance Cost Accretion	-	7,311,374
Lease Modification	-	4,216,861
Payments/ adjustments during the year	(9,847,101)	(48,609,373)
	117,192,649	117,533,550
Less: Security deposits adjustable on expiry of lease term	(11,628,840)	(10,678,220)
	105,563,809	106,855,330
Less: Current maturity of lease liabilities	(43,281,703)	(42,031,703)
Long-term lease liabilities	62,282,106	64,823,627

- 8.1 Maturity analysis-contractual undiscounted cash flow:

	31 December 2021		
	Rupees		
	Minimum Lease Payments	Less: Future Finance Cost	Present Value of Minimum Lease Payments
Not later than one year	52,083,239	(8,801,542)	43,281,697
Later than one year but not later than five years	68,924,323	(6,642,211)	62,282,112
	121,007,562	(15,443,753)	105,563,809

	30 September 2021		
	Rupees		
	Minimum Lease Payments	Less: Future Finance Cost	Present Value of Minimum Lease Payments
Not later than one year	50,905,735	(8,874,032)	42,031,703
Later than one year but not later than five years	72,491,362	(7,667,735)	64,823,627
	<u>123,397,097</u>	<u>(16,541,767)</u>	<u>106,855,330</u>

- 8.2** The Company has a finance lease agreements of Rs. 116.68 million (2021 : Rs. 116.68 Million) for vehicles with various banks. Rentals are payable in monthly/ quarterly instalments ending on September 2024. The mark up rate implicit in the lease is 3 months KIBOR + 0.75% to 1.25% (2021: 3 months KIBOR + 0.75% to 1.25%) p.a. The lease is secured by way of personal guarantees of directors of the Company and vehicle registered in the name of banks 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.
- 8.4** The Company also has lease contracts for offices used in its operations. These leases generally have lease terms between 3 to 6 years. In general, the Company is restricted from assigning and subleasing the leased assets. These lease contracts include extension and termination options subject to the mutual consent of the Company and the Lessors. The Company is bound by certain covenants which includes but are not limited to payment of certain taxes and to exercise reasonable care.

	Note	(Un-Audited) 31 December 2021 ..... (Rupees) .....	(Audited) 30 September 2021
<b>9. SHORT TERM BORROWINGS - SECURED</b>			
<b>FROM BANKING COMPANIES</b>			
Running Finance	9.1	127,181,867	122,788,055
Cash Finance	9.2	3,493,624,527	(4,789)
		<u>3,620,806,394</u>	<u>122,783,266</u>

- 9.1** These loans of Rs. 915 million (2021: 915 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 current assets of the Company and personal guarantees of directors. These are subject to mark up at the rate of 1 year KIBOR minus 1.00% & 1 to 3 month KIBOR + 0.50 to 1.00% (2021: 1 year KIBOR minus 1.00% & 1 to 3 month KIBOR + 0.50 to 1.00%) p.a. The limits will expire on various dates by 31 March 2022 but are renewable
- 9.2** These loans of Rs. 13,867 million (2021: 13,867 million) have been obtained from various banks to meet the working capital requirements and are secured against pledge over sugar bags of equivalent value with 5% to 25% margin and personal guarantees of directors. These are subject to mark up at the rate of 1 to 9 months KIBOR plus 0.30% to 1.00% (2021: 1 to 9 months KIBOR plus 0.30% to 1.00%) p.a. The limits will expire on various dates by 31 July 2022 but are renewable.

	Note	(Un-Audited) 31 December 2021 ..... (Rupees) .....	(Audited) 30 September 2021
<b>10. CONTINGENCIES AND COMMITMENTS</b>			
<b><u>Contingencies</u></b>			
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		960,957,931	960,957,931
		<b>980,199,312</b>	<b>980,199,312</b>
<b><u>Commitments</u></b>			
Contracts for capital expenditure		15,077,408	15,077,408
Letters of credit for capital expenditure		29,433,700	29,433,700
Letters of credit for other than capital expenditure		80,682,700	80,682,700
		<b>125,193,808</b>	<b>125,193,808</b>
<b>11. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating Fixed Assets	11.1	4,455,585,859	4,575,895,034
Capital Work in Progress - Tangible Assets		453,668,674	192,771,498
		<b>4,909,254,533</b>	<b>4,768,666,532</b>
<b>11.1 Operating Fixed Assets</b>			
Opening written down value		4,575,895,034	4,913,463,653
Additions during the period- at cost	11.1.1	1,777,782	163,978,382
Disposals during the period- at WDV		-	(1,336,272)
Depreciation charged		(122,086,957)	(500,210,730)
		<b>4,455,585,859</b>	<b>4,575,895,034</b>

### 11.1.1 Additions and Disposals Operating Fixed Assets

#### Owned Assets

Freehold land	-	-	-	-
Building on freehold land	-	-	20,117,155	-
Plant and machinery	-	-	77,955,820	(350,751)
Tools, implements and other factory equipments	182,478	-	6,975,731	-
Computer & other office equipments	54,150	-	2,183,453	-
Electric installations	-	-	350,340	-
Vehicles	390,739	-	23,122,422	(985,521)
	627,367	-	130,704,921	(1,336,272)

#### Leased Assets

Vehicles	1,150,415	-	29,056,600	-
Buildings	-	-	4,216,861	-
	1,150,415	-	33,273,461	-
	1,777,782	-	163,978,382	(1,336,272)

(Un-Audited) Quarter ended 31 December 2021		(Audited) Year ended 30 September 2021	
Addition At Cost	Disposal At WDV	Addition At Cost	Disposal At WDV
Rupees	Rupees	Rupees	Rupees
-	-	-	-
-	-	20,117,155	-
-	-	77,955,820	(350,751)
182,478	-	6,975,731	-
54,150	-	2,183,453	-
-	-	350,340	-
390,739	-	23,122,422	(985,521)
627,367	-	130,704,921	(1,336,272)
1,150,415	-	29,056,600	-
-	-	4,216,861	-
1,150,415	-	33,273,461	-
1,777,782	-	163,978,382	(1,336,272)

### 11.2 Leased Assets

Opening written down value

120,506,516 137,814,448

#### Additions during the period

Vehicles  
Buildings

Note  
11.2.1  
1,150,415  
-  
1,150,415  
29,056,600  
4,216,861  
33,273,461

Transfer (at WDV)

- (18,442,964)

Depreciation charge for the period

(7,478,918) (32,138,429)

Closing written down value

114,178,013 120,506,516

	Note	(Un-Audited) 31 December 2021 ..... (Rupees) .....	(Un-Audited) 31 December 2020
<b>12. COST OF SALES</b>			
Finished goods - opening		608,277,505	971,474,592
Add: Cost of goods manufactured	12.1	6,010,980,893	5,695,308,543
		6,619,258,398	6,666,783,135
Finished goods - closing		(4,730,469,376)	(5,358,843,065)
		1,888,789,022	1,307,940,070
<b>12.1 Cost of goods manufactured</b>			
Work in process - opening		5,188,121	12,394,709
Raw material consumed		5,588,861,449	5,347,097,944
Salaries, wages and other benefits		139,328,458	127,796,186
Fuel and power		24,407,641	20,805,445
Stores, spares and loose tools		124,688,253	100,848,791
Repairs and maintenance		229,295,011	172,271,252
Insurance		224,380	121,877
Depreciation		111,936,217	111,231,979
Vehicles running		30,276,006	18,203,899
Miscellaneous		2,417,969	2,137,504
		6,256,623,507	5,912,909,585
Work in process - closing		(245,642,614)	(217,601,042)
		6,010,980,893	5,695,308,543
<b>13. OTHER INCOME/(EXPENSES)</b>			
<b>Financial Assets</b>			
Profit on deposit accounts		10,438,380	3,324,855
Income on unwinding of long term advances		179,240	435,094
<b>Others</b>			
Sale of scrap		5,750	5,898,403
Rental Income		162,954	130,365
Gain on Sale of Store		227,154	-
Gain on Disposal of Fixed Assets		-	55,249
Others		8,903,303	9,794,268
		19,916,781	19,638,233

#### 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:

	Quarter ended	
	(Un-Audited) 31 December 2021 ..... (Rupees) .....	(Un-Audited) 31 December 2020
Profit after taxation	180,091,477	224,842,600
Weighted average number of ordinary shares in issue during the period	15,023,232	15,023,232
Earnings per share	11.99	14.97

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	23,926,854	(29,058,861)
Stock-in-trade	(4,362,646,364)	(4,592,574,806)
Trade debts	(78,783,688)	(124,449,177)
Short Term Investments	555,030,906	-
Loans and advances	130,983,845	167,275,643
Trade deposits, prepayments and other receivables	(88,862,589)	(52,090,344)
Taxes recoverable/adjustable	168,468,018	320,653,190
Increase / (decrease) in current liabilities:		
Trade and other payables	1,307,329,249	927,172,247
	(2,344,553,769)	(3,383,072,108)

#### 16. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	Quarter ended 31 December 2021				Quarter ended 31 December 2020			
	Chief Executive	Directors	Executives	Total	Chief Executive	Directors	Executives	Total
	..... Rupees .....							
Managerial remuneration	510,000	510,000	29,587,024	30,607,024	510,000	510,000	19,000,338	20,020,338
Utilities	-	-	986,234	986,234	-	-	577,542	577,542
<b>Total</b>	<b>510,000</b>	<b>510,000</b>	<b>30,573,258</b>	<b>31,593,258</b>	<b>510,000</b>	<b>510,000</b>	<b>19,577,880</b>	<b>20,597,880</b>
Number of Persons	1	1	31	33	1	1	33	35

## 17. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, entities over which the directors are able to exercise influence, staff retirement funds, directors and key management personnel. The transactions with related parties other than remuneration and benefits to key management personnel under the terms of their employment which are disclosed in the Note 16 are as follows:

Name of Company	Transaction	Nature of Relationship	Quarter ended	
			(Un-Audited) 31 December 2021 ..... (Rupees) .....	(Un-Audited) 31 December 2020
<b>Naubahar Bottling Company (Pvt) Limited</b>	Sale of goods	Common Directorship	91,546,000	23,680,000
<b>Al-Moiz Industries Limited</b>	Sale of goods	Common Directorship	36,881,783	52,258,376
	Purchase of Goods	Common Directorship	50,632,539	48,569,234
<b>Baba Farid Sugar Mills Ltd</b>	Sale of goods	Common Directorship	3,009,314	4,153,500
	Purchase of Goods	Common Directorship	400,140	-

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

### Key management personnel:

Loan received from/ (repaid) to directors	(40,000,000)	-
Advances received from/ (Returned to) directors	-	(120,000,000)

	(Un-Audited) 31 December 2021 ..... (Rupees) .....	(Audited) 30 September 2021
<b>Balance due from/(due to) related parties as at 31 December 2021 are as below:</b>		
Naubahar Bottling Company (Pvt) limited	(100,000,000)	51,961,000
Al-Moiz Industries Limited	36,717,869	-
Baba Farid Sugar Mills Ltd	2,609,174	-
Loans from directors - Long Term	(534,800,000)	(574,800,000)
Advances from directors - Short Term	(95,300,000)	(95,300,000)



## 18. FINANCIAL INSTRUMENTS-FAIR VALUES

	Note	Carrying Amount			Fair Value		
		Financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3
		----- Rupees -----					
<b><u>On-balance sheet financial instruments</u></b>							
<b>31 December 2021 (Un-Audited)</b>							
<b><u>Financial assets measured at fair value</u></b>							
		124,698,636	-	124,698,636	-	-	-
		124,698,636	-	124,698,636	-	-	-
<b><u>Financial assets measured at amortized cost</u></b>							
	18.1	464,500	-	464,500	-	-	-
		31,925,032	-	31,925,032	-	-	-
		838,363,504	-	838,363,504	-	-	-
		3,314,865	-	3,314,865	-	-	-
		3,472,783	-	3,472,783	-	-	-
		1,284,300,549	-	1,284,300,549	-	-	-
		2,161,841,233	-	2,161,841,233	-	-	-
<b><u>Financial liabilities measured at fair value</u></b>							
		-	-	-	-	-	-
<b><u>Financial liabilities measured at amortized cost</u></b>							
	18.1	-	801,575,327	801,575,327	-	-	-
		-	106,563,809	106,563,809	-	-	-
		-	1,274,954,398	1,274,954,398	-	-	-
		-	21,434,554	21,434,554	-	-	-
		-	30,707,378	30,707,378	-	-	-
		-	3,620,806,394	3,620,806,394	-	-	-
		-	95,300,000	95,300,000	-	-	-
		-	5,950,341,860	5,950,341,860	-	-	-
<b>30 September 2021 (Audited)</b>							
<b><u>Financial assets measured at fair value</u></b>							
		679,729,542	-	679,729,542	-	-	-
		679,729,542	-	679,729,542	-	-	-
<b><u>Financial assets measured at amortized cost</u></b>							
	18.1	464,500	-	464,500	-	-	-
		34,801,348	-	34,801,348	-	-	-
		759,579,816	-	759,579,816	-	-	-
		3,195,014	-	3,195,014	-	-	-
		4,372,235	-	4,372,235	-	-	-
		400,156,361	-	400,156,361	-	-	-
		1,202,569,274	-	1,202,569,274	-	-	-
		1,882,298,816	-	1,882,298,816	-	-	-
<b><u>Financial liabilities measured at fair value</u></b>							
		-	-	-	-	-	-
<b><u>Financial liabilities measured at amortized cost</u></b>							
	18.1	-	910,914,225	910,914,225	-	-	-
		-	106,855,330	106,855,330	-	-	-
		-	401,262,886	401,262,886	-	-	-
		-	22,491,719	22,491,719	-	-	-
		-	16,471,659	16,471,659	-	-	-
		-	122,783,266	122,783,266	-	-	-
		-	95,300,000	95,300,000	-	-	-
		-	1,676,079,085	1,676,079,085	-	-	-

18.1 The management considers the carrying amount of all financial assets and liabilities measured at amortized cost 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. IMPACTS OF COVID-19 ON THE CONDENSED INTERIM FINANCIAL STATEMENTS

A novel strain of corona virus (COVID-19) that was classified as a pandemic by the World Health Organization in March 2020, impacting countries globally. This pandemic has significantly affected all segments of economy. The fair value determination at the measurement date has become more challenging due to the uncertainty of the economic impact of COVID-19. The Company expects that going forward these uncertainties would reduce as the impact of COVID-19 on overall economy subsides and management have evaluated and concluded that there is no going concern uncertainty and there are no material implications of COVID-19 impacts that requires disclosures/ adjustments in these financial statements.

## 21. SUBSEQUENT MATERIAL EVENTS

There is no significant activities since 31 December 2021 affecting the condensed interim financial information apart from those disclosed in the interim financial information.

## 22. DATE OF AUTHORIZATION

This condensed interim financial information has been authorized for issue on 24 January 2022 by the Board of Directors.

  
Chief Executive

  
Chief Financial Officer

  
Director



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**THALINDUSTRIES**

C O R P O R A T I O N

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